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The Food Stamp Application Process: Office Operations and Client Experiences

**THE FOOD STAMP APPLICATION PROCESS:
OFFICE OPERATIONS AND CLIENT EXPERIENCES**

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EXECUTIVE SUMMARY

As part of its on-going efforts to increase the efficiency of the Food Stamp Program and eliminate barriers to access, the Food and Nutrition Service initiated this study of the food stamp application process. The study's primary goal is to learn about ways in which federal, state, and local policies and procedures may encourage or inhibit individuals from completing the process, or impose unnecessary costs and burdens as a condition of participation.

The study was designed to achieve four specific objectives:

- Describe the application process as it typically works;
- Develop hypotheses concerning how the application process may affect program participation;
- Collect evidence on completion rates and the applicants' time and monetary costs of the application process; and
- Identify potential changes in the application process that might facilitate applicants completing the process or reduce the costs and burdens of the process.

Study Design

We examined the application process in two states in 1990, one in the Midwest and one in the South. In the Midwestern state, two urban and one rural county participated in the study. One urban and one rural county were studied in the Southern state.

The study is necessarily exploratory in nature, as no previous work has examined the application process in detail or systematically studied the extent to which individuals interested in the Food Stamp Program actually complete the application process. The design involved two distinct data collection efforts. The process study involved in-depth interviews with state and local food stamp officials and extensive observations conducted over a three-day period in each of the five local offices in the study. The result of this component of the study was a detailed description of the application process as it worked in our sites. The process is essentially structured similarly in all the sites, but differences do exist that have a marked effect on applicants.

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The quantitative component of the study provides preliminary data on the rates at which applicants drop out of the process at different stages, and the reasons they do so. Data for this part of the study came from four sources. First, logs were maintained to collect the names of everyone who contacted the food stamp office during the study period to inquire about food stamp benefits or Aid to Families with Dependent Children (AFDC), or to inquire in general about assistance. Second, using the states' automated casefile data, we determined whether each individual completed the food stamp application process and if not, where they dropped out of the process. These data allowed us to calculate the rates at which applicants completed the different stages of the food stamp application process. Third, an applicant survey ascertained why those who dropped out of the process did so. It also collected extensive information on the number of trips an applicant made to the food stamp office, the time required, and out-of-pocket expenses involved. Finally, we obtained detailed information from applicants' casefiles concerning verification requirements and the outcome of the application process.

The Food Stamp Application Process

The food stamp application process requires the applicant household and the food stamp agency to complete a number of activities in order for the household to be considered eligible for the Program. The applicant activities are:

- Obtaining information about the Program and an application form;
- Completing and filing the application;
- Completing the certification interview; and
- Providing verification of information.

Once an applicant completes these steps, the caseworker determines whether the household is eligible to receive food stamps, and if so, the amount of the monthly benefit.

The study considers the application process to begin when a household calls or visits the local office to inquire about obtaining food stamps. In the urban offices in this study, applicants

generally visit the office. In the rural offices, interested individuals are more likely to begin the application process by calling to request information and application materials.

The second step in the application process involves completing the application (or at a minimum, filling in name, address, and signature) and filing it with the local office. Often individuals do this at the same time they pick up the application, though some take the application home to complete it. Those who do not complete the application in the office may return it either in person or by mail. Benefits are calculated from the date the application is filed, so office staff in the study sites often encourage people to return to the office with the application right away rather than delay the start date because of a slow mail system.

All applicants must complete an interview with a caseworker in which details of their circumstances are recorded. This interview is generally conducted in person, though applicants may request a telephone interview or a home visit. The interview can take anywhere from 20 minutes to 1 1/2 hours. Persons interested in applying for AFDC and Medicaid may do so at the same time they apply for food stamps and thereby complete only one certification interview. The length of the interview is thus affected by the number of programs for which the household is applying.

The final step of the application process involves documenting the information provided in the certification interview. In general, applicants must provide documentation of their household composition, income, and expenses. AFDC and Medicaid applicants also have to verify information relating to their children and medical circumstances.

All people who are approved to receive food stamps complete these four activities, though depending on the procedures in the local welfare office some activities may be done differently and some may occur simultaneously. For example, in four of the five study sites, most applicants visit the office to obtain information and office staff encourage them to do so. The other office, which is a small rural office, considers that it is unfair to ask those interested in benefits to visit the office. Staff encourage people to call for information and most do so. Another difference among offices is that two of the offices screen applicants for gross eligibility

either when they request an application or file it. In these offices most potential applicants who are obviously ineligible choose not to proceed with the application process.

Major Quantitative Findings

Costs¹ incurred in the application process. Applicants and potential applicants spend, on average, almost five hours performing application activities. Approximately two hours of this time is spent filling out the application, meeting with food stamp office workers, and obtaining required documents. The other three hours is spent in transit to the office and waiting to meet with office staff. The further an applicant gets in the process, the more time it takes. Those who are approved for benefits spend an average of six hours in total.

Applicants and potential applicants incur out-of-pocket expenses totalling an average of \$10.40. Approximately \$7.40 of this is spent visiting the food stamp office one or more times during the course of the application process. The costs of these visits result primarily from transportation costs and forgone wages. Another \$3 is spent obtaining the documents necessary to verify the household's circumstances.

Some applicants spend considerably more money and time than the average during the application process. Approximately 5 percent of all applicants and potential applicants said they incurred \$50 or more in out-of-pocket expenses and forgone wages and spent 12 or more hours completing the activities required of the process.

Completion rates at each step of the application process. Overall, 58 percent of all those who contact the food stamp office are approved to receive benefits. Another 9 percent complete the application process, but are denied benefits. The remaining 34 percent who contact the office do not complete the application process. Of these, 19 percent do not even file an application, 11 percent file an application but do not complete the certification interview, and 4 percent attend the interview but do not submit all the documents requested to verify their

¹Applicants are not charged for applying for food stamps (such charges are prohibited by law). The "costs" examined here are the time and money spent to go through the steps in the application process.

household's circumstances. These numbers indicate that most who contact the food stamp office are approved to receive benefits. Examining the figures from another perspective, those who are approved represent 71 percent of those who actually file an application and 87 percent of those who complete the application process.

Reasons for not completing the application process. Of the 34 percent who did not complete the application process, approximately half reported that they were either told by office staff that they were ineligible or perceived themselves ineligible. The other half thought they would probably be eligible but still did not fulfill some procedural requirement of the application process. This means that between 9 and 18 percent of all those who contacted the food stamp office to inquire about benefits thought they were potentially eligible for benefits, but either found some aspect of the application process difficult or decided that the benefits they would receive were not worth the effort it would take to complete the application process.

Factors most likely to lead to not completing the process. Applicants who thought they were potentially eligible for benefits reported that several aspects of the application process were particularly likely to cause them not to complete the process. These factors are:

- Time and "hassle" involved;
- Length of the process or particular aspects of the process;
- Problems getting to the office;
- Confusion about the process;
- Long waits at the office; and
- "Unobtainable" documents required to verify the household's circumstances.

Some demographic groups are somewhat more likely than others to be deterred by the procedural requirements of the application process. Employed persons were less likely than others to complete the process even when they thought they were potentially eligible, particularly compared to those already receiving other governmental assistance. Those who failed to complete the process were also more likely to be eligible for only small food stamp allotments.

The observed differences among these groups are relatively small and in all groups, more were approved for benefits than dropped out of the application process while believing they were potentially eligible for benefits.

These patterns suggest that people's ability or willingness to complete the application process varies in ways that do not correlate highly with characteristics that are often mentioned as "risk" factors, such as being elderly or having limited education. The structure of the application process does seem to matter: the offices in which applicants were more likely not to complete the process even though they perceived they were eligible for benefits were the ones that our observers found to be the most confusing and inconvenient. Nonetheless, the data do not identify specific aspects of the process that clearly inhibit participation, nor do they allow forecasts of the changes in participation that might result from altering office procedures.

Potential Changes to the Food Stamp Application Process

The data from this study suggest some potential changes to the food stamp application process that might improve access to the Program. Some of the suggestions would require additional resources which are probably not readily available in today's economic environment. States are facing large increases in Program participation along with severe budget cutbacks. Nonetheless, whether they can be considered now or must be deferred, this study provides some ideas for making the application process more accessible. Like most policy changes, the ideas presented in this study would involve trade-offs--between protecting program integrity, promoting administrative efficiency, and improving accessibility. These trade-offs must be considered carefully before any changes are made.

The potential changes that seem most likely to have the greatest effect are within the control of state and local policies; they do not require changes in federal laws or regulations. Possibly useful changes would involve reducing the number of visits required, reducing waiting time, cutting applicants' out-of-pocket expenses, and providing more information and assistance to applicants at various points in the process. We cannot be sure that fixing these problems would lead more people to complete the application process, but they do appear to be reasonable areas in which to focus attention.

Chapter One

INTRODUCTION

The Food and Nutrition Service initiated the current study as part of its on-going efforts to facilitate participation in the Food Stamp Program and to improve the efficiency of Program operations. The Food Stamp Program is administered by state or county agencies and operated through local food stamp offices. The application process, like other aspects of the Program's day-to-day operations, is defined by local policies and procedures but is broadly structured by current legislation, Federal regulations, and state policies.

The Federal legislation and regulations implicitly reflect several, sometimes competing, policy goals of the Food Stamp Program. The goals can be characterized as:

- Providing client services;
- Maintaining program integrity; and
- Achieving administrative efficiency.

Providing services to needy clients requires that benefits be easily accessible to all eligible households, without undue delay or burdens on the household. Maintaining the integrity of the Program necessitates ensuring that services are provided only to the intended beneficiaries. Achieving administrative efficiency in processing applications requires minimizing administrative costs of the program. These goals sometimes conflict, requiring tradeoffs that prevent fully achieving any one goal.

This study is intended to provide information concerning federal, state, and local policies and procedures that may encourage or inhibit clients from completing the application process or impose unnecessary costs¹ and burdens as a condition of participation. To the extent that the policies and procedures have such an impact, the study considers ways to alleviate the problems.

¹Applicants are not charged for applying for food stamps (such charges are prohibited by law). Applicants may need to spend time and money to comply with the requirements of the application process, however. Throughout this report, we use the term "costs" to refer to these incidental time and money expenditures.

Previous studies sponsored by the Food and Nutrition Service, and others, including the Congressional Budget Office, the General Accounting Office, and various state and local agencies, have indicated that the Food Stamp Program is not serving all the eligible population. Although some of these studies suggest that certain features of the application process may be hindering participation, they fail to provide conclusive evidence. None of the studies are systematic or detailed enough to provide a thorough understanding of the application process. Nor do they provide reliable estimates on the number of applicants affected, whether any are actually kept from participating in the Food Stamp Program, and what aspects of the process present particular difficulty.

Study Objectives

The study has been designed to achieve four specific objectives:

- Describe the application process as it typically works;
- Develop hypotheses concerning how the application process may affect Program participation;
- Collect evidence on the number of people completing each step of the application process and the cost of the process; and
- Identify potential changes in the application process that might facilitate applicants completing the process.

The study is exploratory in nature. No previous work provides even a systematic description of the process and how it may affect participation. Thus, considerable effort was spent assembling descriptive information and developing conceptual structures. It is hoped that this work will provide direction for future studies designed to test hypotheses concerning factors that encourage participation or future demonstrations to test potential changes in the application process.

It is equally important to say what the study is not. First, it is not a compliance investigation. That is, we attempted to learn about the general policies and practices in specific food stamp offices, but not to determine whether they would be judged to be in compliance with

the applicable food stamp regulations. Second, the study does not attempt to test the validity of criticisms of the application process that have been made by client advocates or other groups.

Study Design

Study Sites. The study was carried out in 1990 in five local offices in two states. A Midwestern and a Southern state volunteered to participate in the study. Within the Midwestern state, a large urban county, a mid-sized urban county and a rural county participated. One large urban and one rural county participated in the Southern state. We guaranteed the sites confidentiality as a condition of participating in the study. Therefore, we refer to them throughout the report by descriptive labels, specifically -- Midwestern Large Urban county, Midwestern Mid-sized Urban county, Midwestern Rural county, Southern Urban county, and Southern Rural county.

We selected the states and local offices based on several broad criteria. First, we did not want unusual states and sites. The sample size for the study is small and, even though statistical generalizability would be impossible, we wanted the information to be as broadly applicable as possible. Second, we sought geographic diversity in the states and local offices to get a varied picture. The two states are located in different Food Stamp Program regions and have significantly different industrial mixes and populations, one being a Midwestern industrial state and the other a Southern more rural state. We selected three urban and two rural sites to

ensure additional diversity. Finally, the data collection strategy required that the local offices be large enough to provide a sufficient number of cases for the study. Thus, we required that the small offices have caseloads of approximately 1,000. This restriction only affected our choice of rural sites. All the urban sites were substantially larger than this minimum.

Data Sources. As dictated by the exploratory nature of the study, the design involved

staff including the office director, food stamp and AFDC supervisors, and some caseworkers, clerks, and receptionists. The purpose of these visits was to understand how the food stamp application process worked in the individual study sites. We focused on examining the steps in the process, the order in which they were accomplished, and the responsibilities of applicants and office staff at each stage. We also discussed with staff their perceptions of the problems associated with the process, points where they thought applicants might have particular difficulty, and what if any points imposed unnecessary burdens on applicants.

The second source of data for the process study came from 3-day observations in each of the local offices in the study. During these visits, we spent time observing all facets of the application process. We sat in the waiting room and observed applicants as they came into the office, filled out applications, and waited to be seen by office staff. We also spent time with the receptionists and switchboard operators, observing the initial interaction between potential applicants and staff. Finally, we sat in on numerous certification interviews and observed the types of data collected, the information presented to applicants, and the nature of the interaction between the caseworker and applicant.

The final source of process data came from visits conducted with the state and local offices after the preliminary data analysis was completed. We shared our findings with staff, discussed their interpretation and implications, and solicited the staff's recommendations for potential changes in the application process.

The quantitative component of the study was designed to provide preliminary data on the rates at which applicants complete the different stages of the application process and the reasons why some do not complete the process. Four sources of data contributed to this analysis. First, the study sites maintained reception logs that recorded the names of all people who called or visited the office to obtain information or an application for the Food Stamp Program or AFDC. (AFDC applicants were recorded on the assumption that most would also apply for food stamps.) Individuals making general inquiries about assistance were also recorded. The study sites began maintaining the logs in May, 1990 and continued for a period of one to four and one-half months, depending on how long it took to reach the targeted number of names. The goals were based on our assumptions about the number of cases required to obtain reasonable estimates of

the desired variables. The goal was 1,700 names for each of the urban sites and 1,130 names and for each of the rural sites.

Second, we used the state's automated casefile data to determine how far each applicant got in the process. These data allowed us to calculate the rates at which applicants completed the different stages of the application process.

In order to examine why individuals did not complete the application process, we conducted an applicant survey. The survey asked those respondents who did not complete the process the reasons they did not do so. The survey also collected extensive information on the activities required of the application process including the time taken and expenses incurred.

The sample for the applicant survey was a stratified random sample, stratified according to how far an individual got in the application process. The stratification was necessary because we assumed that most people who contacted the food stamp office would be approved for benefits. Given the study objectives, we wanted to get as reliable estimates as possible for those who did not complete the application process. The strata that we used were:

- Those who contacted the office but never filed an application;
- Those who filed an application but did not complete the certification interview;
- Those who completed the interview but did not furnish all required documentation;
- Those approved for food stamp benefits; and
- All other denials (most of whom were circumstantial denials).¹

The interviewing goal was to complete 30 interviews per stratum in each of the three urban sites. In each of the two rural sites, the goal was to complete 20 interviews per stratum.

¹Most households classified as circumstantial denials had income or resources (e.g., savings accounts, vehicles) that exceeded Food Stamp Program eligibility requirements. Examples of other types of circumstantial denials include households living outside the office's service area or ineligible students.

We completed a total of 706 interviews. Exhibit 1.1 presents the distribution by site and stratum and shows that the targeted objectives were met for most groups.¹

Finally, caseworkers in each of the sites extracted casefile data for all the sampled cases to provide additional information about the application process, including data on the verification documents requested and provided, and more detailed tracking information.

Plan of the Report

Chapter 2 presents the results of the process study and describes how the application process works in our study sites. The discussion is synthesized from our studies of the five different sites. Most aspects of the process are similar across all sites, though the discussion highlights the significant differences.

Chapter 3 describes the application process from another perspective, focusing on what is required of potential applicants at each step of the process. The chapter presents estimates of the costs of the application process, in terms of out-of-pocket expenses and time spent in the various required activities. We use these estimates in Chapter 4 to examine whether the costs of the process affect the likelihood that an individual will complete or drop out of the process.

Chapter 4 turns to the question of how many people who are potentially interested in food stamps fail to get them and why. We first present estimates of the percent of individuals who complete the different stages of the application process, and determine where the dropout rates are highest. We then examine the reasons people give for not completing the process, with particular attention to those who perceive themselves eligible for benefits but still do not complete the application process. Finally, we attempt to explain why some complete the process, while others do not. To do this, we examine the outcome of the process for households with different characteristics.

¹We used a quota approach, in which interviewers were provided with a substantial list of potential respondent names and instructed to stop interviewing when they reached the quota. Thus there is no meaningful "response rate" in the usual sense of that term. This means that we cannot fully judge the representativeness of the sample or the likely importance of non-response bias. No problems of non-representativeness are known to exist, however.

Exhibit 1.1

APPLICANT SURVEY: NUMBER INTERVIEWED BY SITE AND STRATUM

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
<u>Strata</u>						
Did not file application	31	22	30	30	18	131
Did not attend certification interview	50 ¹	3 ¹	27	29	22	131
Did not complete documentation	39	22	32	34	21	148
Approved	32	20	33	31	23	139
Other denials	<u>35</u>	<u>26</u>	<u>37</u>	<u>33</u>	<u>26</u>	<u>157</u>
TOTAL	187	93	159	157	110	706

¹ We oversampled this group in the Urban county because few individuals did not complete their interview in the Rural county during the study period. We deemed it desirable to get as good estimates as possible for this stratum in the Southern state.

Chapter 5 suggests some potential changes in the application process that seem likely to reduce the costs or burden of the application process. The potential changes may also increase the chance that applicants will complete the entire food stamp application process, but this is more difficult to say without further study.

Chapter Two

THE FOOD STAMP APPLICATION PROCESS

The food stamp application process requires that households complete four basic steps in order to be considered eligible for the Program. These steps are:

- Request information about the Program and obtain an application if interested;
- Complete and file an application;
- Complete an eligibility determination interview; and
- Document household circumstances.

Individuals interested in obtaining information about food stamp benefits may visit or call the food stamp office. Applications may be filed in person, or mailed to the agency. In our study sites, the majority of applicants obtain and file an application during a single office visit. When they come into the office, applicants are greeted by a receptionist who determines whether they are interested in applying for food stamps, Aid to Families With Dependent Children (AFDC), or Medicaid. The receptionist provides an application and encourages persons to complete the form before leaving the office.¹ Once the application is returned to the front desk, the receptionist (or other office staff) reviews the form to determine whether the household is eligible for expedited food stamp benefits.² Staff may also discuss intake procedures and identify verification materials that will be requested during the intake interview. In some offices, the eligibility determination interview is scheduled before the applicant leaves the office.

¹Applicants in our study sites were not told that they only needed to fill out their name and address and sign the application in order to apply for benefits. The staff argued that they needed to have complete forms in order to process the application accurately. However, receptionists helped applicants complete the form if necessary.

²Households meeting certain income and resource criteria and homeless households are eligible for expedited services. This means they are entitled to receive food stamp benefits within five days. We use the terms expedited services and emergency services interchangeably.

In others, applicants are told that they will receive an appointment letter in the mail within the week. Eligibility interviews are typically scheduled for 1-2 weeks from the date of application. Interviews for expedited applicants are scheduled for no later than the next business day.

During the eligibility interview, caseworkers obtain detailed information on each household member's income, resources, assets and expenses. Caseworkers also answer questions about the intake process and benefit structure. Interviews for applicants that are only applying for food stamps average 30-45 minutes, though interviews for expedited households may take as little as 20 minutes. Interviews for households applying for multiple benefits require 60-90 minutes.

The application process is completed when the applicant furnishes all supporting documentation requested by the caseworker during the interview. The caseworker then determines the household's eligibility and, if applicable, benefit amount.

The remainder of this chapter discusses each step in the food stamp application process in more detail. It should be kept in mind that the discussion pertains to our five study sites only. Other food stamp offices may structure the application process differently. Issues that are important in our sites may not be important elsewhere. In addition, other sites may experience problems not experienced by the five sites discussed here. Information comes from interviews conducted with state and county office staff in December 1989 and January 1990, from project staff observations at each of the five food stamp agencies in June 1990, and from the applicant survey.

2.1 Obtaining Information and an Application

Applicant Activities

Most individuals who contact the welfare office are interested in applying for benefits and know exactly what programs they want to apply for. According to the applicant survey, two-thirds of the respondents knew exactly which benefits they wanted to apply for during their initial contact with the food stamp agency. An additional 29 percent were prepared to apply when they first contacted the office, but were unsure which programs were appropriate. The

remaining three percent were only interested in getting information during their initial office contact.

Even some of those respondents who knew which benefits they wanted to apply for learned about additional programs during their initial contact with the office (16 percent). Most of these individuals reported learning about programs not administered by the welfare office, such as Supplemental Security Income (SSI), Women, Infants, and Children Program (WIC), and the state's job training program. However, some learned about programs administered by the welfare office other than the program(s) for which they originally intended to apply.

Persons wishing to learn about food stamp benefits and obtain an application may call or visit the food stamp office. According to agency staff in four of the study offices, applicants typically initiate the process by visiting the office, although some call for information. Workers in one of the rural offices encourage individuals to call for information and reportedly most do so.

Applicants visiting the food stamp office must generally wait in line for less than five minutes to talk to a receptionist. The wait can be longer in large urban offices and at the beginning of the month when the number of new applicants is the greatest. Persons who have previously received food stamps are generally familiar with the process and, therefore, have few questions about application procedures. First-time applicants are likely to have questions about eligibility criteria and benefit amounts, however. Most applicants who visit the office request an application.

Applicants calling the food stamp office generally wait several minutes before talking with staff. In some offices, callers receive a busy signal until a worker is available to talk with them. In others, callers are either put on hold, transferred to another worker, or asked to leave their name and number. However, it is rare for callers to get through immediately to the appropriate worker. Clients frequently complain that they have difficulty reaching the office because the telephone is constantly busy. In addition, persons calling from public telephones generally cannot leave messages and must therefore continually attempt to contact the office.

Callers generally ask about office hours, directions to the office, and application procedures. In addition, first-time applicants are likely to ask about eligibility criteria and benefit amounts.

Office Activities

Applicants who visit the office are greeted at the front desk by a receptionist who determines which benefits the person is interested in applying for. We observed that receptionists answered questions patiently and completely, but rarely offered unsolicited information. In our study sites, the majority of persons inquiring about food stamps simultaneously receive an application. In fact, receptionists routinely respond to programmatic questions by dispensing an application, with applicant inquiries being deferred until after the form has been filed. Eighty percent of respondents to the applicant survey reported that a worker encouraged them to file an application during their first contact with the food stamp office. The remaining respondents did not report that they were encouraged to do so.

Even if the household expresses interest only in one of the programs administered by the office, receptionists usually inquire about their interest in other benefits. Persons unfamiliar with other programs are asked a series of questions about their household composition and the receptionist provides guidance on which benefits to apply for and explains what parts of the application must be filled out.

Applicants are instructed to complete the form and return it to the front desk. Applicants in our sample sites are not informed that they only need to fill out their name and address and sign the form in order to apply for benefits. Receptionists accept incomplete forms and work with applicants to complete them. Receptionists do not feel that they can accurately process applications, particularly determining whether a household is eligible for expedited benefits, unless the forms are complete.

Telephone inquiries can be handled by a receptionist, clerk, caseworker, or supervisor. Some offices have a phone line dedicated to food stamps. In other offices, the phone line also handles AFDC and Medicaid inquiries. Receptionists are generally able to answer basic

questions about food stamp eligibility and program rules. More complicated questions are referred to a case worker or supervisor. Telephone conversations generally last 3-5 minutes.

Staff in one study site offer to mail applications to all callers. However, in the other four sites, applications are only mailed to callers that insist or complain. Although this policy may deter some households from obtaining an application, staff are reluctant to mail out applications for several reasons. First, persons filing via mail often furnish incomplete or inaccurate information, thereby delaying or nullifying the application process. Second, clients are likely to write "I don't know" for critical income or resource questions that are used to screen for expedited services. Thus, applicants entitled to expedited processing may inadvertently delay their receipt of food stamp assistance. Finally, staff indicate that mailing applications delays benefits and reduces the household's allotment in the month of application.

Differences By Applicant Characteristics

The process of requesting information and obtaining an application is the same for all applicants. However, each of the study sites attempts to facilitate access to the Food Stamp Program for specific subgroups.

Handicapped and Elderly Applicants. Any individual may call the food stamp office and request that an application be mailed, making it easier for elderly and disabled applicants to obtain an application. However, four of the study sites will only mail applications on request. (The fifth encourages all callers to file via mail.) Thus, it may not be clear to all callers that this option is available to them.

Homeless Applicants. In four of the study sites, applications are available in locations other than the welfare and SSA offices, including homeless shelters, hospitals, local mental health centers, service centers, and community advocate groups.

Expedited Services. Workers in the Southern Rural county encourage all callers to file via mail. However, callers that appear eligible for expedited food stamp benefits are encouraged to visit the office within a day or two to initiate an application without delay. Staff recommend that these callers not wait to receive an application by mail. In an effort to identify expedited

applicants, all callers in the other study sites are encouraged to visit the office to obtain an application.

Employed Applicants. All offices in the study opened between 7:00 and 8:00 a.m. and closed at 4:30 p.m. Thus, employed persons in each of the study sites can visit the food stamp office early in the morning and during their lunch hour to request an application. They also have the option of calling the office during business hours. None of the offices offer evening hours which might present difficulties for some, particularly those working far away.

First-Time Applicants. Receptionists indicate that first-time applicants may not know how to ask for the information they want. Thus, "welfare savvy" persons who are familiar with the Program may be better able than first-time applicants to identify and obtain the information they need to get through the process.

Differences By Office

Access. All three urban study sites are served by fairly extensive public transit systems. The Midwestern Rural county has bus transportation within the city where the office is located. The Southern Rural county is not served by any public transit, which, according to local advocates, creates problems for some households. This lack of public transportation and the fact that the office is located several miles outside the county seat are the reasons the office encourages interested individuals to call for information and an application.

Congestion in the office. Two of the Midwestern offices issue food stamp coupons in the welfare office. Thus, the offices are quite congested during the beginning of the month. This is particularly a problem in the Midwestern Large Urban office because of the extensive caseload. Households coming in to apply for benefits at the beginning of the month are faced with a crowded office, which might inhibit some from completing the application process.

2.2 Filing a Food Stamp Application

Persons may file an application via mail, or by visiting the office during normal working hours. Offices also receive applications from the local Social Security Administration office for

SSI applicants. The majority of applicants obtain and file a food stamp application during a single office visit. Even persons who call the office and receive an application by mail are likely to bring the application to the office in order to file it.

Food stamp agencies are required to offer alternative filing methods for applicants who cannot visit the office during regular business hours. Thus, all of the study sites permit clients to mail applications, though as discussed above, staff generally discourage filing via mail.

Applicant Activities

Applicants use tables or counter space in the waiting area to complete the form. On average, it takes 15 minutes to complete the application and return it to the front desk. The application seeks basic identifying information such as name, address, phone number, social security number, and birth dates of all household members. In addition, the form asks for information on income, resources, and expenses. Applicants are asked to complete the income and resource information if they want to be considered for emergency or expedited benefits. Almost all applicants take the time to provide this information.

In all of the study offices, a single application form is used to apply for food stamps, AFDC, and Medicaid, making it relatively easy to apply for multiple programs. According to the applicant survey, 61 percent of the respondents in the study sites applied for food stamps only. Another 15 percent said they simultaneously applied for food stamps, AFDC and Medicaid, while 12 percent mentioned food stamps and Medicaid, and 11 percent said food stamps and AFDC.¹ Less than one percent said they applied for AFDC or Medicaid but not food stamps.

¹Households applying only for food stamps are referred to as non-assistance (NPA) households. Those applying for AFDC and/or Medicaid as well as food stamps are referred to as public assistance (PA) households.

Office staff are frequently called upon to help individuals complete the application form. Assistance is rarely offered when the form is first provided to the applicant, however. More commonly, staff either respond to specific questions or ask individuals about missing information once the form has been filed. In particular, staff are frequently required to ask applicants for more precise information about income, resources and expenses.

composition, staff review income and resource information to identify households eligible for expedited food stamp benefits. As mentioned in the previous section, applicants are only required to provide their name, address and signature to file an application. Nonetheless, staff in the five study sites do not apprise applicants of this option, but insist that they provide income and resource information to identify those potentially eligible for expedited benefits. Persons

application. However, a surge of applications in January 1991 pushed the interview date to as long as three weeks after the date of application.

These sudden influxes of applications place considerable pressure on clerical staff and caseworkers to process expedited and regular applicants within the required timeframes (five and 30 days, respectively). For example, one study site was temporarily required to schedule three interviews for every appointment slot in January 1991 (under the assumption that a significant number would fail to attend the interview). In February 1991, as the number of applications diminished, the office scaled back to scheduling two interviews per appointment slot.

In three of the study sites, applicants receive an appointment for their intake interview at the time they file an application. Applicants can request a later date if the appointment is not satisfactory, though they cannot request an earlier date. In the Midwestern Large Urban county, applicants are informed that they will receive an appointment notice in the mail within two weeks.¹ In the Southern Rural county, applicants who request an application via telephone receive an appointment notice and an application form in the mail.

Differences By Applicant Characteristics

Handicapped and Elderly Applicants. Office staff report that they frequently assist elderly applicants complete the form because these applicants often have difficulty deciphering the small print on the application. Office staff are generally willing to spend extra time with people if the office is not busy and the applicant is obviously in need of assistance or expresses confusion. However, receptionists do not appear to look for people that might need their help.

A local hunger advocacy group in one study site provides assistance to elderly food stamp applicants living in selected apartment buildings. The advocate believes that without this assistance, 90 percent would not complete or file the form.

¹During our observations in June 1990, office staff checked state and county computer files to determine if household members already received public assistance, food stamps and/or Medicaid before scheduling the interview. At this writing, the computer checks are being done after scheduling the interview, and staff report that applicants now receive notices within a few days.

Illiterate Applicants. Staff will help individuals who have difficulty reading if the applicant requests help. However, as with the elderly and disabled, staff do not routinely offer to assist applicants.

Non-English Speaking Applicants. The number of non-English speaking persons in our study sites is small. None of the offices is required to provide applications or informational materials in any language other than English. Staff report that few people need interpretation, and those that do bring relatives or friends to act as translators.

Homeless. The two large urban offices station caseworkers in hospitals and homeless shelters to assist residents with the application form.

Emergency Assistance. Agency staff make an effort to refer applicants to other local social services. For example, people who appear distraught by the length of time they will have to wait for food stamp benefits are referred to local food pantries. In some sites, clients stating that they require medical attention are referred to local health clinics. In the Midwestern state, applicants ineligible for AFDC may be sent to the township for county assistance with rent or utilities. Non-expedited applicants may also receive immediate food assistance from the township.

SSI Applicants. In all the study sites, the local Social Security (SSA) office provides food stamp applications for at least some SSI applicants. All of the study sites report that they get fewer than five applications per week from SSA. In the Southern Rural county, staff report only one food stamp application per year from SSA. They suspect that the SSA office simply tells those interested in food stamps to visit the welfare office.

Public Assistance (PA) Applicants. Those applying for AFDC and Medicaid as well as food stamps are instructed about additional verification requirements they will have to satisfy during the intake interview at the time they file the application.

In three of the study sites, PA and NPA applications are processed by the same office staff. In the Midwestern Rural county, NPA and PA applications are reviewed by clerks in different units, who may transfer an application to the other clerk.

The Midwestern Mid-sized county has separate front desks for NPA and PA applicants. A receptionist directs those only interested in food stamps to the NPA desk and those inquiring about food stamps and AFDC to the PA desk. If individuals make a general inquiry about assistance, the receptionist asks basic questions (e.g., "Are you single?" "Do you have children?") and directs them to the appropriate program. Applications are reviewed and processed by separate units. Once they have reviewed an applicant's household information, clerks may refer the individual to the other unit. For example, single parent households erroneously referred to the NPA unit are told to take their application to the PA unit. Supervisors felt that this office structure caused confusion for some clients. In addition, some clients were not informed about all the benefits for which they were eligible and some were required to submit multiple applications. In an effort to facilitate application processing, the Food Stamp Director recently assumed responsibility for all NPA and PA certification activities. The office may eventually integrate front desk duties for NPA and PA clerical staff, thereby simplifying the routing of applicants and maximizing the effectiveness of increasingly scarce staff resources.

Differences By Office

Alternative Filing Methods. In the Southern Rural county, persons who call the office are mailed an application and informed that they can either return the form in the mail or file at the time they appear for the certification interview (which delays the effective date of their food stamp eligibility). However, callers potentially eligible for expedited benefits are encouraged to visit the office within a day or two to file an application in person.

In the Midwestern Mid-sized county, persons who are unable to visit during regular business hours may deposit their completed application in a drop box outside the office. In addition, three sites allow applicants to file their application at other social service providers (e.g. homeless shelters, hospitals, service centers).

Pre-Screening. Applicants in the Southern state are "pre-screened" at the time they file their food stamp application. The purpose of this exercise is to determine whether the application should be expedited and whether the household is clearly ineligible for food stamps.

The pre-screening interview is conducted by caseworkers or supervisors and lasts between five and ten minutes. Workers begin by saying: "I'm going to pre-screen you to see if you are eligible." This is accomplished by determining whether applicants satisfy the Program's gross income and resource requirements.

In the Southern Urban site, the pre-screening interview occurs after the application has been filed at the front desk. The wait to see a screener is between 30 minutes and 3 1/2 hours, depending on the time of day. This long delay causes some applicants to file their application without waiting for the pre-screening interview. The receptionist keeps these applications in a pre-screening box to see if the applicant returns. After two days, she sets up a certification interview and sends out an appointment notice. This letter also informs applicants about the documents they should bring to the interview.

Applicants in the Southern Rural county generally request an application via telephone and formally file for benefits on the day of their intake interview. Thus, most applicants are pre-screened over the telephone at the time they request their application. Obviously ineligible applicants often choose not to get an application. Persons visiting the office to apply are pre-screened after they file their application and rarely wait more than 30 minutes to meet with a screener.

Receptionists in the Midwestern Mid-sized county conduct an informal "pre-screening" when an individual files a signed application. If an applicant's gross income exceeds Program allowances by hundreds of dollars, the receptionist sometimes informs the applicant that he or she is ineligible. Staff estimate that this affects one or two applicants per week. Some of these applicants (one or two per month) choose to voluntarily withdraw their applications, and they are denied food stamps on this basis. Most, however, continue the application process. This action to deny occurs before the interview is scheduled and is taken on the basis of clients' statements regarding their circumstances. Staff indicate that such a denial saves time for both the applicant and the agency in cases where the applicant is clearly ineligible.

2.3 Certification Interviews

Before conducting the certification interview, caseworkers review the application and any information generated by clerical staff from computer searches. At the designated time, the caseworker enters the waiting room and calls out the name of the applicant. (In some sites, applicants sign in at the front desk, so caseworkers know whether or not applicants are on time.)

Caseworkers are free to use their discretion in structuring eligibility interviews, so long as the information obtained from applicants is complete and properly verified. Caseworkers use an interview guide to ensure that they obtain all necessary information on the following topics:

- Are all household members eligible for food stamps? (Includes consideration of age, social security numbers, citizenship, residence, whether any members are students, and definition of the food stamp household.)
- What are the household's resources? (e.g., vehicles, bank accounts, cash on hand, retirement accounts, lump sum payments, etc.)
- What is the household's earned and unearned income?
- What are the household's shelter and utility costs?
- Do any household members qualify for medical deductions?
- Does the household have any dependent care expenses?
- Are any household members mandatory work registrants?

During the interview, applicants are instructed to read a list of their rights and responsibilities including their right to a fair hearing, the need to report changes in a timely manner, the penalty for providing false information during the certification process, and proper and improper uses of food stamp coupons. Once applicants have read these instructions, they are told to sign a statement that they understand the obligations. Many applicants have been on the Program before, and understand these rules. Nonetheless, caseworkers devote several minutes to this activity, especially if they perceive that an applicant is not fully cognizant of these policies.

Caseworkers conclude the interview by providing and reviewing with the applicant a form that lists any verification items that the client must supply in order for the application to be processed. The caseworker tells the client to mail or bring in the documents to the office. Applicants are generally told that the sooner they provide the verification, the sooner the paperwork will be processed.

Differences By Applicant Characteristics

PA Applicants. In addition to the information required for the Food Stamp Program, PA applicants must provide detailed information on the absent parent(s) including race, age, height, nicknames, hair and eye color, and criminal record. Caseworkers also ask or orally review whether paternity has been established. Regarding Medicaid, applicants receive information about medical services available for their children and the types of expenses covered by the program.

Because PA interviews obtain information for multiple programs, agencies allot more time than for NPA interviews. Staff generally allow 45 minutes for food-stamp-only interviews and one and one-half to two hours for PA interviews. On average, approximately one-third of the joint interview is devoted to food stamps. PA staff indicate that it is difficult to provide information about all programs and satisfy the data gathering requirements. As a result, PA caseworkers are frequently unable to complete the entire interview in the allotted time.

Handicapped and Elderly Applicants. These applicants are not required to come into the office for a certification interview. They may have an authorized representative attend the interview for them, which some sites encourage. The office will arrange for a home visit or telephone interview if necessary. In our observations staff did not offer the option of home visits or telephone interviews, but applicants who requested them received them.

Some sites attempt to assist those elderly and handicapped individuals who come into the office to file by scheduling a certification interview at the time they file.

Expedited Services. Applicants eligible for expedited food stamps must receive their benefits within five calendar days of the date the application is filed. To meet this deadline

offices interview expedited applicants on the day or the day after they file their application. If a client that should have been expedited is not given an expedited appointment (i.e., the caseworker determines during the certification interview that the client should have been expedited) the caseworker has five days from the date of the interview to process the application and provide the client with food stamps. On the other hand, staff report that many applicants who are given expedited interviews turn out to be ineligible for expedited benefits (though most still qualify for food stamps).

Interviews for expedited applicants generally take less time than other interviews because by definition, these applicants have limited resources and income.

In the Southern Urban county, staff report that approximately 40 percent of food stamp applicants are eligible for expedited benefits. In some months, the office conducts group interviews for expedited clients to meet the five day processing deadline. These interviews, which are conducted by three caseworkers, last 90 minutes and accommodate as many as 14 clients. During especially busy periods, up to three group interviews can occur in a single day. During the group interview workers explain the application process following a scripted presentation on a flip chart. Workers help applicants sign and hand in all the necessary forms including the application workbook which covers all the details of the household's circumstances necessary to determine eligibility. After the group interview, caseworkers hold five-to-ten minute private interviews with all applicants to complete the personal sections of the application workbook including the income and resource questions.

Non-English Speaking. Because it is an infrequent occurrence, none of the study sites has a formal policy for conducting certification interviews with non-English speaking applicants. Staff report that most such applicants bring their own translators. When this is not possible, staff deal with individual circumstances as they arise. For example, one office hires interpreters from a local university if staff know in advance that they will not be able to communicate with an applicant.

Employed. Certification interviews impose a burden on persons with jobs who are unable to visit the welfare office in the early morning or during their lunch hour. Approximately 8

percent of the survey respondents reported losing an average of \$24 in wages each time they were required to visit the welfare office. Eligibility interviews can also take longer if there are several sources of earned income to document, for example, for an applicant who has worked at several fast food franchises in the previous 30 days.

Previously Received Food Stamps. Applicants who have previously applied for food stamps are generally well prepared for the certification interview. They tend not to be surprised or disturbed by the substance of the interview. In addition, they generally know what types of verification items to bring to the interview. Applicants who have previously received food stamps tend to ask practical questions such as "When do you think I will receive my food stamps? I need to know how much of my next paycheck to spend on food."

No-Shows. Federal regulations require that the food stamp office schedule a second interview for those applicants who fail to show up for the first interview, no matter what the reason. In the Southern state, local offices will do this. The Midwestern state has received a waiver from FNS and thus offices are not required to reschedule missed eligibility interviews. Persons failing to attend their initial interview have their applications held for 30 days from the date it was filed. During this period, individuals may call to reschedule the appointments. At the end of 30 days, the application is denied. Applicants are sent a notice indicating that their case was denied for failure to attend the interview.

2.4 Providing Necessary Verification

At the time they file an application, persons are informed of generic (and in some instances, specific) items they must bring to the certification interview. During the interview, caseworkers review these verification items and instruct applicants about any additional documents that are needed to determine eligibility and benefit amounts. After the interview, applicants assume primary responsibility for obtaining these items, although for some items caseworkers will use methods such as collateral contacts and computer searches to corroborate a household's circumstances.

Applicant Activities

The items that applicants must verify in order to complete their food stamp application are discussed below.

Identity of the Applicant. Applicants must furnish a current proof of their identity. Examples of acceptable items include a driver's license, work or school identification card, voter registration, birth certificate, military records, passport, or U.S. immigration papers. If authorized representatives are interviewed, the identity of both the applicant and the authorized representative must be provided.

Citizenship. The citizenship of all household members must be verified. Applicants with alien status must have papers from the U.S. Immigration and Naturalization Service.

County Residency. Applicants must provide proof that they reside within the welfare department's jurisdiction. Examples of acceptable items include rent receipts, mortgage payment books, utility bills (or installation orders), landlord statements, library cards and driver's licenses. Caseworkers in one site report that some applicants will mail themselves a letter as proof of their home address.

Social Security Number. During the intake interview, applicants must provide a Social Security number for all household members. Examples of acceptable items include a Social Security card, Railroad Retirement number, or Veteran's Claim number. In some sites, caseworkers can locate an individual's Social Security number on an automated data base.

In the Southern state, caseworkers will initiate and forward to the SSA office applications for SSNs for those household members that do not have numbers. Applicants in the Midwestern state who do not have an SSN are given a referral form by the welfare office. The applicant must take the referral form to the SSA office and apply for an SSN. The SSA office sends a copy of the referral form back to the welfare office as proof that the individual has applied for an SSN.

Resources. Applicants must document the financial resources of all household members. This includes cash on hand, savings or credit union accounts, checking accounts, stocks, bonds,

etc. In some sites, they must furnish registration or title documents that verify ownership of vehicles. In the Midwestern state, applicants also sign the Authorization for Release of Financial Information Form. This document authorizes the release of bank records to verify personal financial data.

Unearned Income. Applicants are required to provide records of all unearned income, e.g., Social Security, Supplemental Security Income (SSI), Railroad Retirement, Veteran's benefits, military allotment, Unemployment Insurance (UI), child support and alimony. Acceptable forms of proof vary. For example, applicants receiving direct support or alimony must furnish copies of support checks, or a statement from the payor (persons receiving payments through the court must provide the name of payor and a court clerk's statement). Applicants receiving income from roomers must supply a signed statement from the renter stating the amount paid to the household for the entire month.

Earned Income. Applicants must provide pay stubs for any earned income received in the previous 30 days. (Applicants with fluctuating income may be required to provide documentation beyond the previous 30 days.) If no pay stubs are available, applicants must furnish a signed employer's statement of earnings for the entire month (or statements from all individuals for whom work was done). Self-employed applicants must furnish current business records and receipts or the previous year's tax return if income is not received on a monthly basis.

Applicants who have recently lost their job must describe the circumstances surrounding the termination, specifically whether they quit or were fired from the job. The applicant's statement is generally sufficient. However, in one of the study sites, the caseworker always calls the former employer to verify the circumstances.

In the Midwestern state, household members over the age of 18 are required to sign the state's Request for Information Regarding Earnings Form. This form grants the office authority to contact employers to verify information on earned income, and to match applicants' Social Security numbers against state employment and Unemployment Insurance records.

Contributions. Applicants receiving contributions must supply a note from the person providing the assistance documenting the monetary amount and date assistance was provided.

Expenses. Applicants claiming deductions must furnish documentation of the frequency, billing dates and amounts of the allowable expenses (e.g., rent/mortgage, taxes, insurance, assessments, utilities, telephone bills, home repairs, dependent care, and medical bills).

Household Composition. Applicants may have to document that an individual should (or should not) be included in the household for the purpose of food stamp eligibility and benefit calculations. In most cases, workers accept the applicant's word about household composition.

After the intake interview, applicants have until the end of the processing period (i.e., 30 days from the date of application) to furnish the required items. In the Midwestern state, applicants failing to provide adequate documentation receive a notice that their application has

been held for an additional 30 days, pending receipt of these items (these applicants lose benefits for the first month). At the end of 60 days, applications are automatically denied if the applicant fails to furnish necessary documentation. All applicants in the Southern state failing to provide

Applicants failing to provide complete documentation at the interview are provided a checklist of outstanding items. Caseworkers instruct applicants to mail outstanding items to the office or to bring documentation to the front desk.

The burden of obtaining documentation rests with applicants. Caseworkers will, however, assume responsibility for certain items such as:

- Contacting government agencies to verify receipt of Social Security, SSI or Unemployment Insurance;
- Initiating and forwarding an application to the Social Security Administration for household members that do not have a Social Security number (only in the Southern state); and
- Contacting employers to verify the amount of earned income claimed by applicants. This generally happens after applicants have demonstrated a willingness to exhaust all means of verification available to them.

None of the offices in our study reported using other welfare workers (e.g., social service or protective service workers) to help obtain documentation.

According to federal regulations as well as local office policy, workers must assist applicants who have difficulty obtaining required documents. Approximately 17 percent of applicant survey respondents completing the certification interview indicated that their caseworkers offered to help them verify their household circumstances without being asked. An additional ten percent of respondents reported that they requested assistance from their caseworker.

After the intake interview, caseworkers await outstanding verification items before processing the application. Once all documentation has been received, caseworkers complete the necessary paperwork to either approve or deny the application. Workers have 30 days from the date the food stamp application was filed to make an eligibility determination.

Differences By Applicant Characteristics

AFDC/FS Applicants. Persons applying for food stamp and AFDC benefits must satisfy the documentation requirements of both programs. For example, AFDC rules require that

applicants document the ages of all household members by providing a birth certificate, baptismal record, driver's license, insurance policy, or records from a clinic, doctor or hospital. (In the Southern sites caseworkers can check computer files for birth certificates for those born in the state.) In addition, AFDC applicants are required to certify that their children actually live in the household. Examples of acceptable proof include a child care provider's records, landlord statement, statement from the school, and a signed statement from a non-related person having knowledge of child's location. AFDC applicants must also provide detailed information about absent parents (for enforcement of child support conditions). Failure to fulfill AFDC verification requirements does not affect food stamp eligibility, and vice versa. However, workers do not clarify which documents are required for which programs.

Workers must meet the 30 day processing requirement for the food stamp application. Eligibility determination for the AFDC application must be complete in 45 days.

Homeless and Expedited Applicants. Expedited applicants may receive their initial food stamp allotment before verifying their circumstances. However, documentation must be received within the 30-day deadline if they are to continue receiving benefits. In addition, homeless applicants are not required to verify their residence.

Non-English Speaking and Elderly Applicants. In some specific cases, community or advocate groups help these applicants complete the application process. This may involve help obtaining necessary documentation.

Categorically Eligible. Food stamp applicants who already receive (or are authorized to receive) AFDC and/or SSI are only required to provide items that exceed the verification requirements of these two programs.

2.5 Eligibility Determination and Benefit Calculation

In order to be approved for food stamp benefits, an individual must complete all the steps described above. After all the verification is submitted, the caseworker determines whether the household is eligible for benefits and if so, the amount of the monthly allotment. The worker then sends the applicant the appropriate notice.

Those individuals who file an application but do not complete all the required steps of the application process are automatically denied benefits. They receive a notice informing them which requirements they failed to fulfill.

The food stamp office does not consider a household a food stamp applicant until it files an application. Therefore, those who obtain an application but do not return it to the office receive no communication from the food stamp office.

The next chapter provides additional information of what the food stamp application process requires of applicants and potential applicants. All individuals who contact the food stamp office for information about benefits spend at least some time and probably incur some expenses, and the chapter presents estimates of these costs.

Chapter Three

COSTS OF THE APPLICATION PROCESS

The activities that must be completed in order to apply for food stamp benefits all impose some cost and burdens on individuals. No matter how much of the process a household completes, it must spend at least some time on required activities, even if this just involves making a telephone call. Most people will also incur expenses during the application process in the course of visits to the food stamp office. In this chapter, we attempt to measure these costs and burdens in order to provide additional information on what the process requires of applicants. We also use these estimates in Chapter 4 when we examine the reasons some individuals do not complete the application process.

In this chapter we calculate the costs of the application process based on data from the client survey. In the first section, estimates are derived for the total monetary costs of the application process, based on the numbers of in-person, telephone, and mail contacts that clients had with the welfare office and the cost of each one. We also include the cost to clients of obtaining necessary documentation. In the second section time costs are calculated, including time spent actively, for meeting and talking with caseworkers, filling out the application form, and collecting documentation. Time spent on travel to the office and waiting to meet with staff is also included. Throughout the chapter we use qualitative data obtained from case studies of the sites to interpret and explain the observed findings.

3.1 Monetary Costs

The mean out-of-pocket cost of the application process for all individuals who enter the food stamp office, regardless of how far they went in the application process, is \$10.40 for all

5 counties combined (Exhibit 3.1).¹ The mean ranges from \$4 in the Southern Rural county to \$12 in the Midwestern Large Urban and Rural counties. Although the mean amount is modest, the distribution is quite skewed. The 95th percentile value for the sample as a whole was \$46.50—four and a half times the mean. The median values were therefore substantially lower than the means, \$3.61 for the sample as a whole, and ranging from only about \$1 in the Southern Rural county to \$4 in the Midwestern Large Urban and Rural counties. Thus, most applicants and potential applicants spend \$4 or less applying for benefits, though some spend substantially more.

Standard errors for the estimates of the means are also displayed. These can be used to calculate the approximate statistical significance of differences between pairs of estimates.²

¹The sampling design for the applicant survey was a stratified design, stratified according to how far the individual got in the application process. Thus, the number of (unweighted) cases in each stratum is roughly equal. The data in this and all subsequent exhibits were weighted to obtain representativeness with respect to the population entering the food stamp offices in the five counties. This was done as follows. The average number of people that enter each office per day was estimated based on the counts of people that were logged in each office during the observation period, and then allocated among the five strata according to automated data records on the logged individuals. The resulting population number, divided by the number of such cases that were included in the survey sample, was then used as the weight for sample members in the corresponding county and stratum.

² The formula for calculating statistical significance between pairs of estimates is:

$$t = (m_1 - m_2) / \sqrt{s_1^2 + s_2^2},$$

where m_1 and m_2 are the estimated means, and

s_1 and s_2 are the corresponding estimates of the standard error.

When a hypothesis about the direction of the difference is being tested, significance levels based on one-tailed test may be used—e.g., a value of t greater than 1.65 is considered statistically significant at the 5 percent level. When there is no prior hypothesis about the direction of the effect, a two tailed test is used—e.g., t must exceed 1.96 in absolute value to be considered statistically significant at the 5 percent level. In any event, these simple tests are only approximate, given the skewed nature of the data.

Tests show that the difference between the mean for the Southern Rural county and the mean for each of the other sites is statistically significant at the 1 percent level (two-tailed tests). The other differences are not statistically significant.

Exhibit 3.1

TOTAL OUT-OF-POCKET COSTS

	<u>Southern State</u>		<u>Midwestern State</u>			
	<u>Large Urban County</u>	<u>Rural County</u>	<u>Large Urban County</u>	<u>Mid-Sized Urban County</u>	<u>Rural County</u>	<u>TOTAL*</u>
All Respondents:						
Mean	\$9.54	\$3.70	\$11.57	\$10.33	\$10.71	\$10.40
(Standard error)	(1.60)	(0.54)	(1.44)	(1.66)	(2.54)	(0.77)
Median	\$3.13	\$1.20	\$4.00	\$3.84	\$4.00	\$3.61
95th percentile	\$42.00	\$14.80	\$52.88	\$40.00	\$41.48	\$46.50
Respondents who:						
Did not file						
Mean	\$12.66	\$1.49	\$10.05	\$1.57	\$2.37	\$8.91
(Standard error)	(10.02)	(0.47)	(4.92)	(0.86)	(0.97)	(2.51)
Median	\$3.36	\$0.00	\$0.00	\$0.00	\$0.50	\$0.00
95th percentile	\$25.20	\$4.80	\$64.00	\$11.68	\$11.88	\$52.88
Filed, but were not interviewed						
Mean	\$7.98	\$2.41	\$7.14	\$5.98	\$11.84	\$7.36
(Standard error)	(2.98)	(0.68)	(2.44)	(1.78)	(3.54)	(1.33)
Median	\$0.50	\$2.00	\$3.00	\$1.20	\$4.96	\$2.40
95th percentile	\$85.00	\$8.20	\$15.00	\$31.97	\$32.68	\$31.97
Were interviewed, but were not approved						
Mean	\$11.61	\$6.92	\$17.57	\$23.48	\$5.13	\$16.28
(Standard error)	(2.14)	(1.43)	(2.79)	(5.69)	(0.80)	(1.61)
Median	\$4.09	\$3.56	\$10.00	\$4.40	\$3.60	\$5.92
95th percentile	\$47.80	\$16.00	\$46.50	\$139.00	\$17.24	\$49.68
Were approved						
Mean	\$9.26	\$3.67	\$11.29	\$8.77	\$13.63	\$9.80
(Standard error)	(2.66)	(0.92)	(2.41)	(1.49)	(5.66)	(1.26)
Median	\$3.84	\$0.25	\$4.00	\$5.04	\$4.80	\$4.00
95th percentile	\$42.00	\$12.80	\$35.00	\$40.00	\$41.48	\$42.00
Unweighted N	187	93	159	157	110	706

* The total statistics in this and subsequent tables are weighted by strata and/or county as described on the previous page. As a result, the approved strata and the urban counties have the most impact on the overall statistics. See Exhibit 4.1 for the overall distributions by county and strata.

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

The remainder of the exhibit shows the costs that were incurred by respondents in four strata:

- those who did not file an application;
- those who filed an application, but did not have a certification interview;
- those who had a certification interview, but were not approved to receive food stamps;¹ and
- those who were approved to receive food stamps.

For all counties combined, average costs were \$7 to \$10 for the first, second, and fourth strata, and over \$16 for those who were interviewed but were not approved. This latter value differed significantly from each of the other three at the 5 percent level. The pattern is not consistent across the individual counties, however. Instead, we see that respondents in particular strata incurred relatively high or low costs depending on their location. Most of the pairwise comparisons between sites within strata are not statistically significant. Exceptions are noted where they occur.

Nonfilers in the Large Urban counties incurred average costs of \$10 to \$13, compared with only \$1 to \$2 in the other three sites.² This difference is related in part to whether nonfilers visit the office in person. In the Southern Rural county, individuals generally made their initial contact with the food stamp office by telephone. For those who filed, but were not

¹The survey respondents are divided into strata in various ways for different parts of the analysis. The third stratum here, which consists of individuals who completed their certification interview but were not approved, contains people who performed varying amounts of documentation activity. While it would have been possible to break out those who reported completing their documentation from those who did not, this distinction would not be useful for understanding differences in costs. The group who report completing their documentation includes applicants who were circumstantially ineligible but who went through the same procedures as those who were eventually approved. It also includes individuals who were not asked to provide additional verification because they were determined to be ineligible at the interview. These latter individuals are therefore not necessarily any different, with respect to documentation costs, than those who fail to complete their documentation.

²The comparison between the Large Urban Midwestern county and both the Mid-sized Urban Midwestern county and the Southern Rural county are significant at the 10 percent level. All other differences are not statistically significant.

interviewed, costs range from \$6 to \$12 for all sites except the Southern Rural county. The much lower value of \$2 for this site reflects the fact that many people obtain the application form by mail and file without visiting the office. The observed differences between this county and all other counties is significant at the 10 percent level, or better.

For those who were interviewed, but were not approved, the average costs ranged from \$12 to \$23 in the Urban sites, compared with only \$5 to \$7 in the two Rural sites. Each of the Urban sites differs from each of the Rural sites at the 10 percent level, or better.

Finally, for those persons who were approved for food stamp benefits, mean costs range from only \$4 in the Southern Rural county to \$14 in the Midwestern Rural county. (The Southern Rural county differs significantly from the others.) The overall means largely reflect the results for this stratum, as it comprises over half of the population.

In the remainder of this section, we look at the individual components of out-of-pocket cost. The relationships among these are depicted in Exhibit 3.2. Total costs are broken down into the costs associated with contacts with the food stamp office, such as transportation and postage, and those incurred outside the food stamp office, for obtaining documents.

Contacts with the food stamp office are of three types: in-person visits, telephone calls, and letters.¹ The costs of contacts may therefore be calculated as follows:

OUT-OF-POCKET COSTS OF CONTACTS =

$$(N_v * C_v) + (N_T * C_T) + (N_L * C_L)$$

where

N_v = number of office visits;

C_v = cost per office visit;

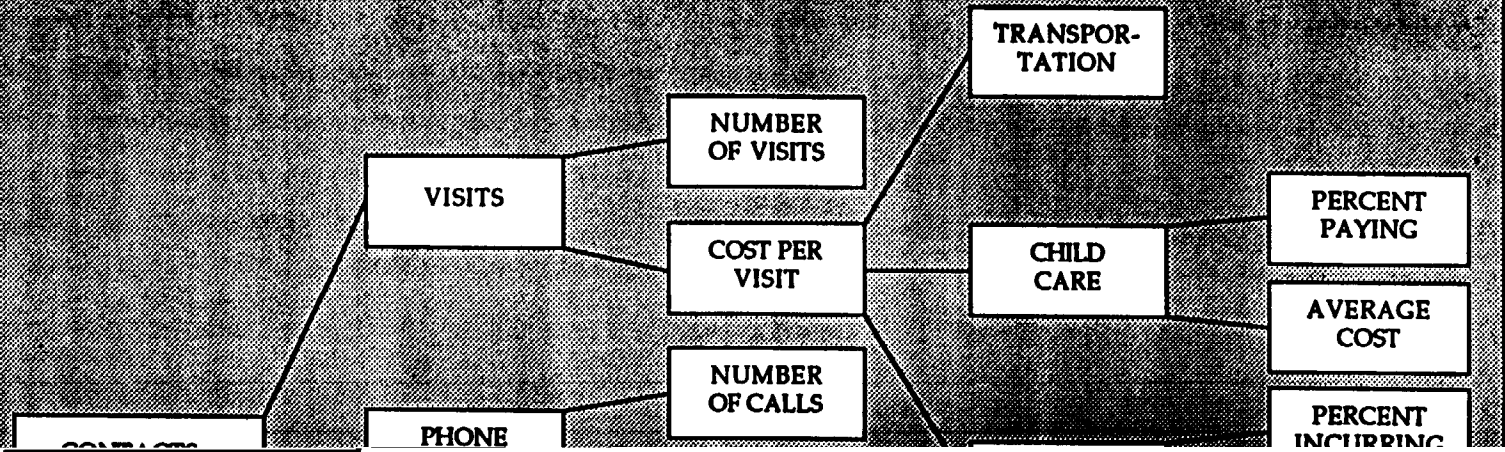
N_T = number of telephone calls;

C_T = cost per telephone call;

¹Mail contacts include only items sent by the respondent to the food stamp office--not items received from the food stamp office.

EXHIBIT 3.2

COMPONENTS OF OUT-OF-POCKET COSTS OF APPLICATION



N_L = number of letters sent; and

C_L = cost per letter (assumed to be \$0.25).

The cost per office visit may be further disaggregated into costs associated with transportation, child care, and forgone wages. The latter two costs are a function of the proportion of people who incur the cost and the mean expense incurred by those who do. The costs incurred for providing documents are also of three types: travel to obtain the documents, duplication, and charges for the documents. These total documentation costs are also a function of the proportion of people incurring them.

The total out-of-pocket cost of about \$10 is comprised of around \$7 for office visits and \$3 for documentation, as Exhibit 3.3 shows. Phone calls and letters entail negligible expenses.

Examining the costs of visits, we find that nearly half of the costs of each office visit is due to forgone wages. However, both forgone wages and child care expenses are heavily concentrated among a small proportion of the population. This means that most people making an office visit incur only transportation costs, though a few people incur very heavy costs for the other items.

Only 40 percent of respondents incurred any documentation costs. Some potential applicants drop out of the application process before it is necessary to provide documents, while others succeed in obtaining the necessary documents at no cost. For those who do incur costs, transportation to obtain the documents is clearly the bulk of the expense.

Exhibit 3.4 shows the same numbers for only those individuals who were approved to receive benefits. Comparing these values with their counterparts in Exhibit 3.3, we note several interesting differences. Most strikingly, those who were approved had lower costs per visit (\$3.33 on average, versus \$4.56) than all individuals. The difference in cost per visit is attributable mainly to a lower probability of losing pay. This is due in part to the fact that approved individuals are less likely to have a job. More importantly, however, approved individuals who had a job were less likely to lose pay during a visit to the welfare office than those who were not approved and had a job (20 percent versus 78 percent).

EXHIBIT 3.3

COMPONENTS OF OUT-OF-POCKET COSTS OF APPLICATION: ALL RESPONDENTS

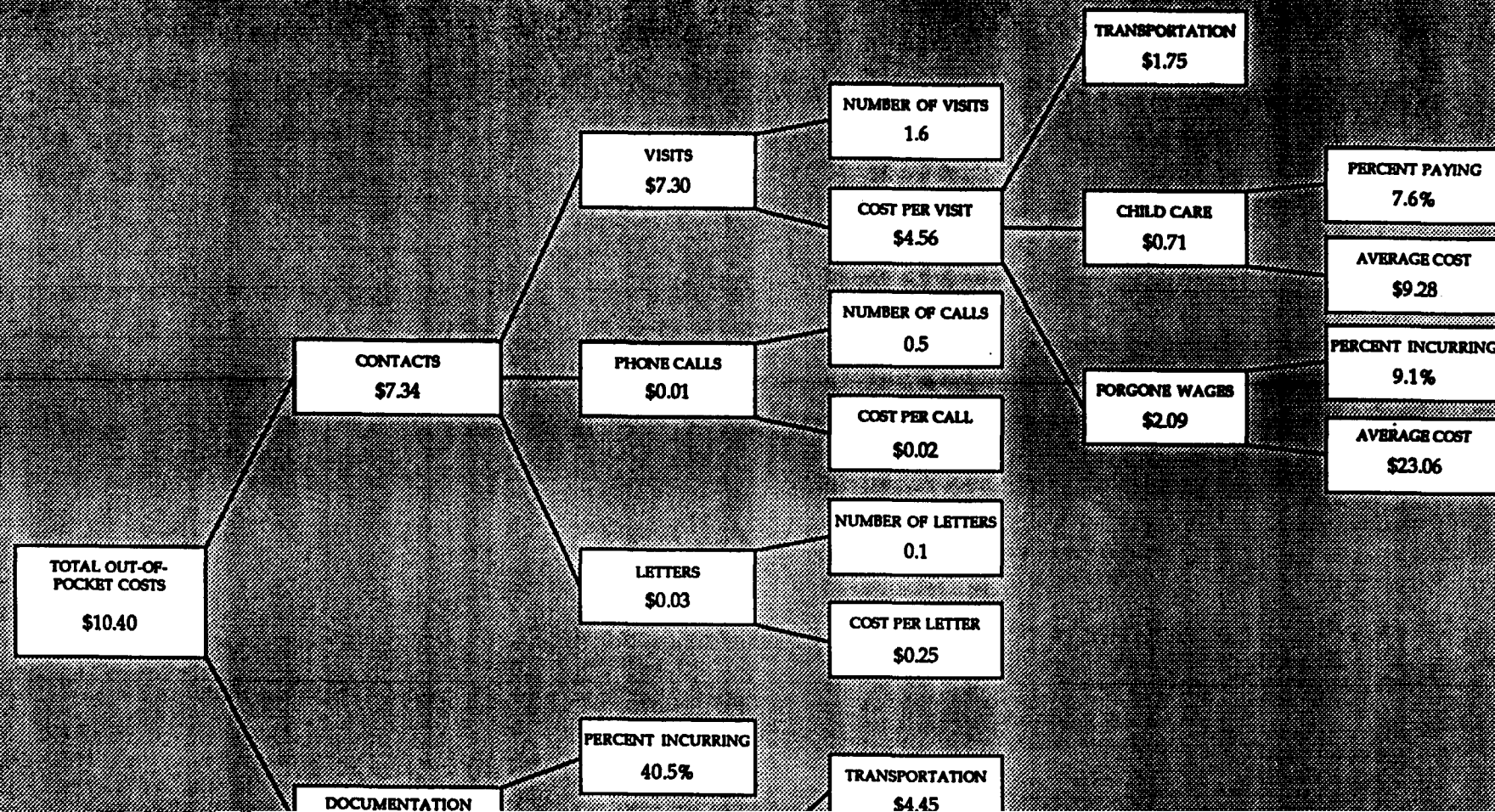
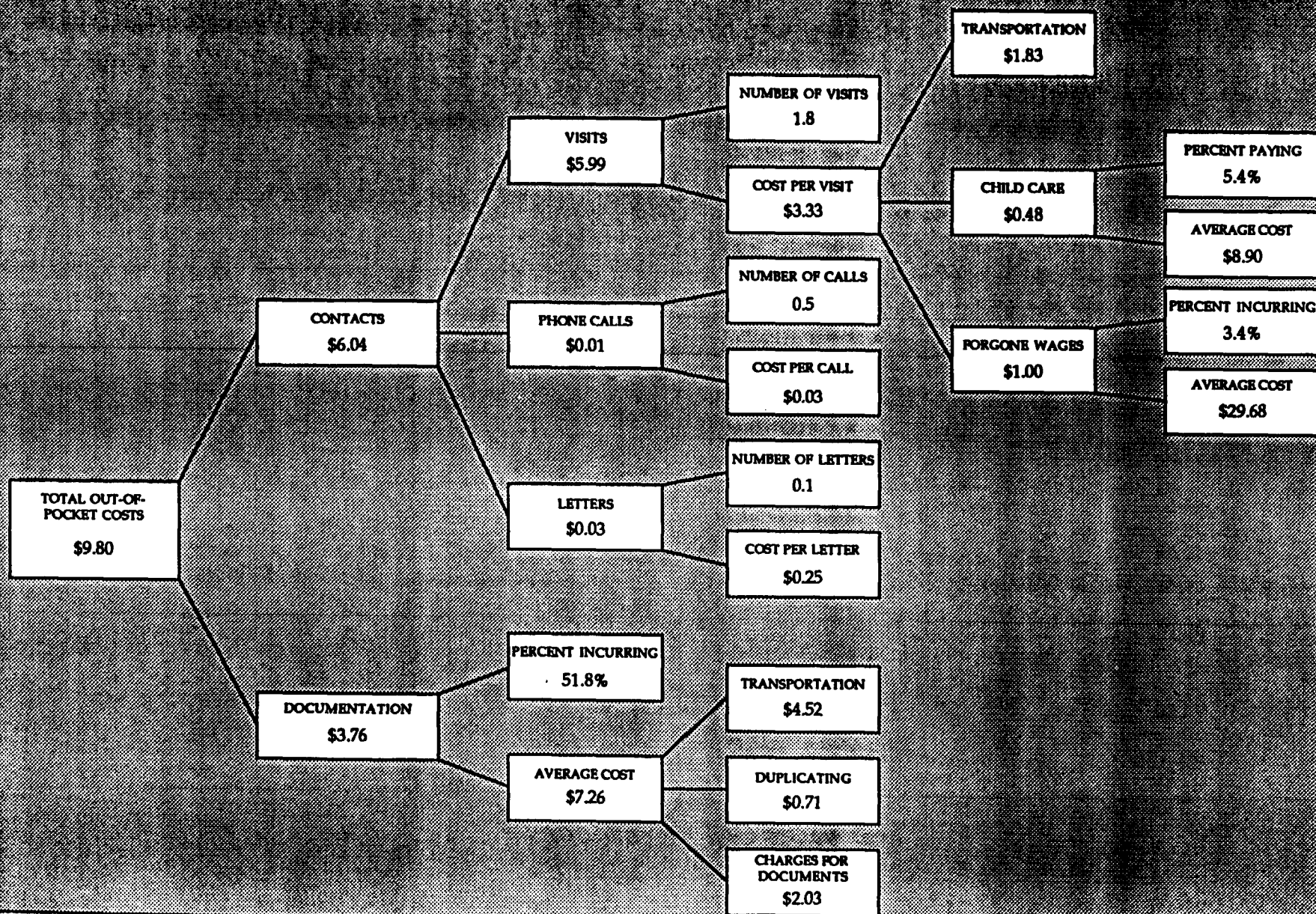


EXHIBIT 3.4

COMPONENTS OF OUT-OF-POCKET COSTS OF APPLICATION: APPROVALS



Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Several factors might explain this pattern. One possibility is that the employed individuals who did not lose wages were working fewer hours, presumably with lower earnings and hence with a higher probability of being approved. It could also be that those who did not lose pay had relatively flexible working conditions. Finally, food stamp staff in the study sites report that they will interview employed persons at a convenient time so that they do not lose wages, if applicants request. Applicants who were not approved may have been less likely than others to be aware of this option. In fact, losing wages may have deterred them from completing the application process. The data do not allow us to distinguish among these explanations.¹

Another difference between Exhibit 3.3 and Exhibit 3.4 is that approved individuals, not surprisingly, made somewhat more visits to the welfare office on average than the general respondent population. A greater percentage of those approved also incurred documentation costs. However, among those who had documentation costs, the mean cost was slightly less for approved applicants than for all respondents who incurred such costs.

Comparison of these two exhibits suggests that if those who did not complete the application process had done so, it would have cost them more out-of-pocket than it cost those who were approved, because of the higher probability of forgone wages and higher documentation costs. An estimate of what it would have cost them depends on certain assumptions about the cost components. At the conclusion of this section, we present estimates of these hypothetical costs.

In the subsections that follow, the individual components of out-of-pocket costs are analyzed, and we show how they fit together to comprise total monetary costs for individuals in the various counties and strata.

¹According to the applicant survey, approximately 2 percent of those who did not receive food stamp benefits reported that they could not get time off from work (Exhibit 4.2). However, the survey does not provide any other data to allow us to determine why the approved were less likely to lose pay than those who were not approved.

Number of Contacts

The mean number of contacts (including visits, calls, and letters) across all five sites was 2.2, as Exhibit 3.5 shows. The figure varies very little, ranging only from 2.1 to 2.3 among the five sites. For all five counties combined, about a quarter of sample members had only one contact, and a third of the sample had three or more contacts.

Individuals who got further through the process naturally had more contacts, as shown in the lower part of the exhibit. Thus, the mean number of contacts was 1.4 for those who did not file, contrasted with 2.4 for those who were interviewed (a statistically significant difference at the 1 percent level). Overall, the mean number of contacts is the same for those who were interviewed but denied as for those who were approved. However, the measured difference can go in either direction in the individual sites.

In contrast with the findings for contacts of all types, we see substantial variations among the sites in mean number of in-person contacts, which are likely to be the most burdensome part of the process (Exhibit 3.6). The overall mean number of visits for the five counties ranged from 1.3 in the Southern Rural county to 1.9 in the Midwestern Rural county.

For all sites combined, 84 percent of the sample reported one or two in-person visits, and another 10 percent reported three or more visits. Two sites exhibited substantially different patterns, reporting that 9 to 11 percent of individuals made no in-person visits. Office procedures probably explain these differences. The Southern Rural county encourages those interested in food stamps to call for information and an application. During the telephone conversation, potential applicants are screened to ascertain whether they are within the Program's gross income and resource limits. Most individuals who are told they are ineligible do not continue the application process and thus do not make any visits to the office. Two factors could explain the pattern in the Midwestern Large Urban county, though we do not have the data to test either hypothesis. First, individuals can apply for food stamps at several service centers in the city and thus not visit the main welfare office. Second, some individuals who call the office for information may choose not to continue the application process.

At the other extreme, 10 percent of the sample in the Midwestern Rural county reported 4 or more in-person visits. Staff report that it is not uncommon for applicants to make two trips

Exhibit 3.5

NUMBER OF CONTACTS WITH THE FOOD STAMP OFFICE

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban	Rural	Large Urban	Mid-Sized Urban	Rural	
OVERALL MEAN (Standard error)	2.3 (0.1)	2.1 (0.1)	2.1 (0.1)	2.3 (0.1)	2.3 (0.1)	2.2 (<0.1)
By Strata:						
Did not file						
Mean (Standard error)	1.7 (0.3)	1.8 (0.3)	1.3 (0.1)	1.1 (0.1)	1.3 (0.2)	1.4 (0.1)
Filed, but were not interviewed						
Mean (Standard error)	2.0 (0.1)	1.5 (0.2)	1.7 (0.2)	1.5 (0.1)	1.9 (0.3)	1.7 (0.1)
Were interviewed, but were not approved						
Mean (Standard error)	2.1 (0.1)	2.3 (0.2)	2.5 (0.1)	2.6 (0.2)	2.1 (0.2)	2.4 (0.1)
Were approved						
Mean (Standard error)	2.5 (0.1)	2.2 (0.2)	2.3 (0.2)	2.5 (0.1)	2.7 (0.2)	2.4 (0.1)
Percent of respondents with:						
1 contact	19.1%	30.5%	34.3%	19.2%	25.7%	25.4%
2	42.4	43.8	38.8	44.4	40.7	41.3
3	31.4	14.8	17.8	28.2	17.0	24.8
4	4.4	8.1	3.9	5.1	13.7	4.7
5	2.4	2.8	5.2	2.3	0.4	3.4
6 or more	0.4	0.0	0.2	0.9	2.5	0.5
Unweighted N	187	93	159	157	110	706

Exhibit 3.6

**NUMBER OF IN-PERSON VISITS
TO THE FOOD STAMP OFFICE**

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
OVERALL MEAN (Standard error)	1.6 (0.1)	1.3 (0.1)	1.5 (0.1)	1.8 (0.1)	1.9 (0.1)	1.6 (<0.1)
By Strata:						
Did not file						
Mean	1.4	0.6	0.6	0.7	0.8	0.8
(Standard error)	(0.2)	(0.2)	(0.2)	(0.1)	(0.2)	(0.1)
Filed, but were not interviewed						
Mean	1.4	0.9	1.1	1.0	1.7	1.2
(Standard error)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)
Were interviewed, but were not approved						
Mean	1.7	1.4	1.9	1.9	1.8	1.8
(Standard error)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(<0.1)
Were approved						
Mean	1.7	1.5	1.9	2.0	2.2	1.8
(Standard error)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)
Percent of respondents with:						
no visits	0.9%	9.0%	11.3%	2.9%	3.3%	5.5%
1	44.7	55.6	40.0	34.9	39.6	41.3
2	45.9	31.6	37.9	50.9	34.1	42.9
3	8.2	3.9	9.4	7.5	12.9	8.6
4 or more	0.4	0.0	1.4	3.8	10.1	1.6
Unweighted N	187	93	159	157	110	706

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

to bring in required documents. In addition, applicants who are more than five minutes late for their interview are not seen that day and must reschedule for a different day; these applicants make two visits just to complete the certification interview.

As was the case for contacts in general, those who got further through the process made more in-person visits on average. The mean number of such visits was 0.8 for those who did not file, compared with 1.8 for both strata that got as far as the certification interview—a statistically significant difference at the 1 percent level. (Observed differences of 0.2 visits or more between pairs of counties are statistically significant at the 5 percent level, or better.)

Applicants and potential applicants report making relatively few telephone calls and sending even fewer letters to the food stamp office, as Exhibit 3.7 shows. Overall, only 39 percent of respondents reported calling the food stamp office in the course of their application process, and the great majority of these did so once only. Thus, the average number of calls per respondent was 0.5. Calls were substantially more frequent in the Southern Rural county, where 57 percent of the respondents made at least one call, and the mean number of calls was 0.7. The mean for this site differs significantly from the means for all the Midwestern sites, at the 5 percent level or better. As discussed above, potential applicants at this site, in contrast with other sites, were encouraged to call to request an application form.

Overall, 12.1 percent of respondents sent a letter to the food stamp office. Only one respondent in the sample sent more than one letter. The proportion of respondents using the mail ranged from 0.2 percent in the Midwestern Rural county to 14 percent in the Midwestern Large Urban county.

It has been assumed for purposes of calculation that each mail contact cost \$0.25. This may be an overestimate of the true cost because postage-paid envelopes were supplied in the offices for applicants to return required documents. The estimated total cost of mail contacts was trivial, however, at only \$0.03 per person.

Exhibit 3.7

**NUMBER OF TELEPHONE CALLS AND LETTERS
TO THE FOOD STAMP OFFICE**

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
<u>TELEPHONE CALLS:</u>						
OVERALL MEAN (Standard error)	0.6 (0.1)	0.7 (0.1)	0.5 (0.1)	0.4 (<0.1)	0.4 (0.1)	0.5 (<0.1)
By Strata:						
Did not file						
Mean	0.3	1.0	0.7	0.4	0.5	0.6
(Standard error)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Filed but were not interviewed						
Mean	0.5	0.5	0.4	0.4	0.2	0.5
(Standard error)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Were interviewed, but were not approved						
Mean	0.2	0.8	0.5	0.5	0.3	0.4
(Standard error)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(<0.1)
Were approved						
Mean	0.6	0.6	0.4	0.4	0.5	0.5
(Standard error)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(<0.1)
Percent of respondents with:						
0 calls	58.8%	43.2%	64.0%	61.1%	61.7%	61.0%
1 call	29.1	45.4	25.7	37.3	34.2	29.5
2 or more calls	12.1	11.4	10.2	1.6	4.1	9.5
<u>LETTERS:</u>						
OVERALL MEAN (Standard error)	0.1 (0.02)	0.1 (0.03)	0.1 (0.03)	0.1 (0.03)	0.0 (0.00)	0.1 (0.01)
By Strata:						
Did not file						
Mean	0.0	0.2	0.0	0.0	0.0	0.0
(Standard error)	(0.00)	(0.09)	(0.02)	(0.00)	(0.00)	(0.01)
Filed, but were not interviewed						
Mean	0.0	0.1	0.1	0.1	0.0	0.1
(Standard error)	(0.03)	(0.09)	(0.06)	(0.06)	(0.00)	(0.02)
Were interviewed, but were not approved						
Mean	0.1	0.0	0.2	0.1	0.0	0.1
(Standard error)	(0.04)	(0.03)	(0.05)	(0.06)	(0.02)	(0.02)
Were approved						
Mean	0.1	0.1	0.1	0.1	0.0	0.1
(Standard error)	(0.04)	(0.04)	(0.05)	(0.05)	(0.00)	(0.02)
Unweighted N	187	93	159	157	110	706

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Cost Per Visit

Information is available on three types of out-of-pocket costs for in-person visits: transportation, babysitter fees, and lost wages.¹

The most common modes of transportation used to get to the food stamp office are using one's own car and being driven, as Exhibit 3.8 shows. On average, approximately one-third of individuals who make office visits use each of these modes. In all but the Midwestern Large Urban site, driving one's own car is more common than being driven.

Across all sites, most of the remaining respondents used public transportation, although a few borrowed a car, walked, or used some other means. The bus system in the Midwestern Rural county serves only the town in which the office is located, and thus relatively few applicants travel by bus. No public transportation system exists in the Southern Rural county, where over 5 percent of respondents reported walking to the office. Staff report that a concentration of clients in this site lives in an area about two miles from the office and they assume that some of these clients walk to the office.

The mean transportation cost per visit for all five sites was \$1.75, ranging from \$1.10 in the Midwestern Rural county to \$2.15 in the Midwestern Large Urban county.² Maximum

¹The next three exhibits are based on survey questions which pertained to the respondent's usual experience when visiting the food stamp office. The data for each individual were weighted by the number of visits made. The statistical significance of observed differences in these tables is not examined. The sample sizes are often small because the tables pertain only to those who made a visit. In addition, the data presented in these tables are used to calculate the total costs discussed in the previous section, for which tests of statistical significance are calculated.

²Costs of \$0.24 per mile were ascribed to trips made in one's own car. For clients who were driven or who borrowed a car, as well as for those who used public transportation, the reported charges were used.

All offices except the Midwestern Large Urban office had adequate free parking lots attached to the building. Applicants in the Midwestern Large Urban office are required to pay \$.75 per hour for on-street parking or \$3 to \$6 for garage parking. Staff report that many applicants park on the street, allow the meter to expire, and end up with a parking ticket. We did not collect data on parking costs in the applicant survey and thus could not incorporate these costs into our estimates.

Exhibit 3.8

TRANSPORTATION COSTS FOR OFFICE VISITS

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
Percent of respondents going by:						
Own car	40.7%	53.2%	21.7%	46.0%	60.1%	35.6%
Driven	28.6	31.5	43.7	30.8	29.2	34.6
Borrowed Car	5.6	8.8	4.5	5.8	6.0	5.3
Bus	16.4	0.0	26.8	15.1	2.6	19.2
Taxi	0.0	0.0	0.1	0.0	0.0	0.0
Foot	4.7	5.4	3.3	2.0	1.8	3.6
Other	4.1	1.2	0.0	0.3	0.3	1.7
Cost per roundtrip						
Mean	\$1.62	\$1.47	\$2.15	\$1.39	\$1.10	\$1.75
Median	\$1.50	\$0.96	\$1.68	\$1.44	\$0.72	\$1.44
95th percentile	\$5.00	\$5.00	\$9.60	\$4.80	\$3.12	\$5.00
Unweighted N	182	82	143	151	107	665

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

costs were as high as \$20.00 for an individual who took a taxi and \$13.00 for an individual who paid for the use of a car.

Approximately 8 percent of respondents who visited the food stamp office reported that they paid babysitters to look after their children or other dependents while they visited the food stamp office (Exhibit 3.9).¹ The proportion of sample members incurring these expenses ranged from 6 percent in the Southern Urban office to 9 percent in the Midwestern Large Urban and Southern Rural offices. The mean averaged over all individuals who made office visits was less than a dollar for the sample as a whole. For those who incurred babysitting costs, however, the mean was about \$9. These data as well as our office observations suggest that many applicants bring their children along with them.

Just over 9 percent of the sample indicated that they lost pay in order to visit the food stamp office (Exhibit 3.10). This proportion ranged from none in the Southern Rural county, to 11 percent in the Midwestern Large Urban county. Averaged over all office visits, the mean amount of lost wages was about \$2 for the sample as a whole. For those who incurred these costs, the mean was \$23. According to staff in all the local offices and the state offices, employed persons should not have to lose pay to apply for food stamps. Special interview times will be arranged for individuals who request them. However, from our observations, we hypothesize that many employed people do not know that this option is available.

Summary. The total out-of-pocket cost per visit was \$4.56 for all five sites combined, consisting of \$1.75 for transportation, \$0.71 for child care, and \$2.09 for forgone wages (adding the components from Exhibits 3.8-3.10). The mean was lowest in the Southern Rural county--only \$1.79--and ranged from \$3.49 to \$5.20 in the other counties. The 95th percentile values show the same pattern: \$6 in the Southern Rural county and between \$22 and \$27 in the other four counties.

The primary source of this variation is forgone wages. While mean transportation costs vary by only a dollar among the five counties, and mean child care costs are under a dollar in

¹Maximum values rather than 95th percentiles are presented in Exhibits 3.9 - 3.11, because relatively few individuals in each county incurred costs.

Exhibit 3.9

BABYSITTING EXPENSES FOR OFFICE VISITS

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
Percent of respondents who paid a sitter	6.2%	8.9%	9.1%	7.7%	8.4%	7.6%
For those who paid:						
Mean amount	\$9.70	\$3.67	\$10.14	\$8.12	\$4.17	\$9.28
Median amount	\$7.00	\$2.00	\$10.00	\$5.00	\$5.00	\$7.00
Maximum amount	\$20.00	\$12.00	\$50.00	\$31.00	\$5.00	\$50.00
Unweighted N	13	8	21	16	9	67
Overall Mean Per Visit	\$0.60	\$0.32	\$0.92	\$0.62	\$0.35	\$0.71
Unweighted N	182	82	143	151	107	665

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit 3.10

FORGONE WAGES FOR OFFICE VISITS

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
Percent of respondents who lost wages	9.3%	0.0%	10.6%	5.9%	8.6%	9.1%
For those who lost wages:						
Mean amount	\$25.08	\$0.00	\$19.95	\$27.09	\$23.64	\$23.06
Median amount	\$18.00	\$0.00	\$20.00	\$32.00	\$25.00	\$25.00
Maximum amount	\$100.00	\$0.00	\$64.00	\$32.00	\$50.00	\$100.00
Unweighted N	15	0	17	10	6	48
Overall Mean Per Visit	\$2.34	\$0.00	\$2.12	\$1.61	\$2.04	\$2.09
Unweighted N	182	82	143	151	107	665

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

each county, forgone wages impose no costs in the Southern Rural county but impose an average cost of about \$2 in each the other four sites.

Cost Per Telephone Call

Only 10.5 percent of those who made telephone calls reported incurring costs for those calls. The percent ranged from none in the Midwestern Rural to 17 percent in the Southern Urban county, as Exhibit 3.11 shows. The maximum cost for a call was \$2.50 in one rural site. The average cost over all calls was only \$0.02.

Costs of Documentation

The final out-of-pocket expense of the application process involves the cost of obtaining documents necessary to verify the household's circumstances. The survey queried respondents on costs incurred for travel to find documents, duplication of documents, and charges for the documents themselves.¹ In interpreting the data, it should be borne in mind that respondents are likely to intermingle documentation costs for AFDC with those for the Food Stamp Program, if they applied for both. In fact, the survey showed that documentation costs for PA applicants exceeded those of NPA applicants. However, there is no way to disentangle the costs for the different programs. Applicants do not generally know which documents are necessary for the AFDC program and which are necessary for the Food Stamp Program and thus approach verification as a single issue.

Statistics are presented in Exhibit 3.12 for two subgroups of particular interest: those whose applications were approved, and those who attended the certification interview but did not complete the documentation process. The former group is comprised of individuals who fulfilled all the necessary requirements. The latter group, in contrast, consists of individuals who dropped out during this stage of the process, and hence may have had difficulty with the

¹Travel costs to take the documents to the office are excluded here, as they are already included in costs of contacts with the food stamp office.

Exhibit 3.11
COSTS OF TELEPHONE CALLS

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
Percent of callers who incurred costs	17.0%	7.4%	5.3%	7.7%	0.0%	10.5%
Mean cost for those who incurred costs	\$0.18	\$0.70	\$0.23	\$0.32	\$0.00	\$0.21
Maximum cost	\$0.25	\$2.50	\$0.25	\$1.10	\$0.00	\$2.50
Unweighted N	6	3	3	7	0	19
OVERALL MEAN COST PER CALL	\$0.03	\$0.05	\$0.01	\$0.02	\$0.00	\$0.02
Unweighted N	63	51	59	67	36	276

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit 3.12

COSTS OF DOCUMENTATION

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
<u>Approvals:</u>						
Percent incurring documentation costs	52.8%	18.9%	48.7%	55.6%	60.0%	51.8%
Mean cost	\$2.49	\$1.28	\$5.35	\$4.76	\$5.35	\$3.76
(Standard error)	(0.51)	(0.65)	(1.32)	(1.15)	(1.45)	(0.45)
Median cost	\$0.10	\$0.00	\$0.00	\$1.00	\$3.53	\$0.13
95th percentile	\$11.82	\$11.00	\$25.20	\$20.00	\$28.00	\$20.00
Unweighted N	66	29	44	53	35	227
For those who incurred costs:						
Mean travel cost	\$3.45	\$3.47	\$4.66	\$7.00	\$5.88	\$4.52
Mean duplicating cost	\$0.64	\$0.67	\$0.89	\$0.75	\$0.24	\$0.71
Mean charge for documents	\$0.63	\$2.67	\$5.44	\$0.80	\$2.79	\$2.03
Total mean cost	\$4.72	\$6.80	\$10.99	\$8.55	\$8.92	\$7.26
Unweighted N	33	8	23	28	20	112
<u>Interviewees who did not complete documentation:</u>						
Percent incurring documentation costs	36.7%	40.8%	51.7%	46.9%	51.1%	47.6%
Mean cost	\$1.59	\$2.33	\$8.17	\$5.16	\$1.93	\$6.01
(Standard error)	(0.67)	(1.34)	(2.60)	(1.75)	(0.54)	(1.00)
Median cost	\$0.00	\$0.00	\$1.00	\$0.00	\$1.00	\$0.00
95th percentile	\$9.00	\$20.00	\$38.15	\$30.00	\$5.00	\$38.15
Unweighted N	31	13	25	34	21	124
For those who incurred costs:						
Mean travel cost	\$2.86	\$4.14	\$8.10	\$5.72	\$3.08	\$6.64
Mean duplicating cost	\$0.56	\$0.02	\$0.26	\$1.02	\$0.47	\$0.45
Mean charge for documents	\$0.91	\$1.54	\$7.45	\$4.26	\$0.23	\$5.54
Total mean cost	\$4.33	\$5.70	\$15.81	\$11.01	\$3.79	\$12.63
Unweighted N	10	4	16	15	11	56
TOTAL COST OF DOCUMENTATION FOR ALL RESPONDENTS						
Mean	\$2.04	\$1.31	\$3.76	\$3.91	\$4.02	\$3.06
(Standard error)	(0.30)	(0.35)	(0.61)	(0.62)	(0.67)	(0.24)
Unweighted N	187	93	159	157	110	706

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

documentation requirements.¹ The final line of the exhibit presents summary statistics for all respondents (including those who dropped out before the certification interview and those who completed verification requirements but were denied benefits).

The mean cost of documentation across the entire sample was \$3.06. This mean varied from \$1.31 in the Southern Rural county, to \$4.02 in the Midwestern Rural county (the means for each of the two Southern sites differ from the means for each of the three Midwestern sites at the 5 percent level, or better). One reason costs are higher in the Midwestern Large Urban and Rural counties may be that a higher proportion of respondents applied for AFDC in these sites than in the Southern sites. Documentation costs for those applying for AFDC and food stamps exceed the costs for those only applying for food stamps. In addition, the Midwestern Rural county places a great emphasis on avoiding quality control errors and thus caseworkers are quite strict about acceptable forms of verification, which might explain why the mean cost is highest in this site. Substantial documentation costs were reported by some individuals who did not attend the certification interview, and even by individuals who did not file an application. However, for 60 percent of all the respondents the cost was zero.

When we focus on the respondents who were approved, we find means ranging from \$1.28 in the Southern Rural county to \$5.35 in two of the Midwestern counties. (The means in each of the two Southern sites differ from the means in each of the three Midwestern sites at the 10 percent level, or better.) The 95th percentile values were also substantially higher in the Midwestern sites than in the Southern sites, \$20 to \$28 versus \$11 to \$12, suggesting that some especially costly documents are sometimes required in the Midwestern sites. We do not know why some people spend substantial amounts of money on verification requirements. State and local staff report that they do not require any costly documents, particularly in the Food Stamp Program. However, some applicants may not understand the requirements and thus incur unnecessary costs. For example, some applicants may visit a doctor for verification of a disability to exempt them from work registration requirements. Or, AFDC applicants may incur

¹This group includes people who reported in the survey that they did not complete their documentation. It also includes some who said in the survey that they provided all their documents, but whom the state's automated casefile data classified as denied for failure to provide all documents.

significant costs obtaining out-of-state birth certificates or copies of court records of divorce decrees. Caseworkers can and will obtain these documents without charge though some applicants may not be aware of this. It should be noted that the median value is quite low in all sites but the Midwestern Rural county, indicating that half of all individuals who are approved incur virtually no out-of-pocket costs for verification.

Detail is also presented on the three components of documentation cost for those approved individuals who incurred any costs. For respondents in four of the counties, transportation costs are the dominant component. In the Midwestern Large Urban county, however, charges for the documents themselves are of roughly equal importance.

Among interviewees who did not complete documentation, nearly the same percentage incurred some documentation costs as among those who were approved. It is likely that this reflects two different phenomena. Some individuals in this subgroup did not attempt to obtain any documents, and hence incurred no costs, while others eventually gave up on completing their documentation after having incurred significant costs.

The mean cost of documentation for all counties combined is substantially higher for these dropouts than for those who were approved, \$6.01 versus \$3.76 respectively, a statistically significant difference at the 10 percent level. The difference comes primarily from higher charges for documents, although transportation costs were also somewhat higher.¹

Total Monetary Costs

For the entire sample of respondents, the mean total out of pocket cost is \$10.40. Seventy percent of this is attributable to office visits, and virtually all of the remainder is costs of documentation.

Mean total costs were lowest in the Southern Rural county--under \$4 per person. Mean costs in the remaining sites ranged from \$9 to \$12. Costs were lower in the Southern Rural

¹The appropriate comparison to make is between costs averaged over all individuals in the two subgroups. For charges for documents the value is \$1.05 ($0.518 * \2.03) for approvals and \$2.64 ($0.476 * \5.54) for the dropouts. For transportation costs, this value is \$2.34 for approvals ($0.518 * \4.52) and \$3.16 for the dropouts ($0.476 * \6.64).

county because applicants make fewer visits to the welfare office than those in other sites, because no applicant reported losing wages, and because documentation costs are also low in this site.

One reason some applicants and potential applicants may not have completed the application process is because they felt the costs of the process were too high. As a rough test of this hypothesis, we project what the total out-of-pocket costs would have been for dropouts if they had completed the process (Exhibit 3.13). To generate these numbers, we assumed that in each site, the number of visits and costs of telephone calls, letters, and documentation would have been the same for the dropouts as they were, on average, for those who were approved in that site.¹

The cost per visit used in the calculations is each respondent's reported value, where that is available. However, some individuals who dropped out early in the process made no in-person visits, so that the cost per visit is unknown. For these individuals, cost per visit was imputed, based on a site-specific regression model which included such household characteristics as presence of an earner, presence of young children, and possession of a car. Because of this imputation process, mean values are not shown for the components of cost per visit. Similarly, mean values are not shown for the components of other cost elements for which site-level means were assumed.

We see that the projected costs that would have been incurred by dropouts are substantially higher than the actual costs of completion incurred by those who were approved, \$15.95 versus \$9.80 (a statistically significant difference at the 1% level). We conclude that

¹The average documentation cost for dropouts is estimated to be somewhat higher than the actual average for approved cases (\$4.48 versus \$3.76). This is a consequence of the fact that a higher proportion of actual and potential applicants happened to be approved in the sites that had lower costs of documentation on average. Hence when we ascribe the site-specific mean documentation cost to all sample members, the overall mean is higher than the mean for the approvals only.

The same phenomenon occurs with regard to average number of visits, but the difference between the mean for approvals and the mean for all sample members assuming they were approved is too small to be visible in the exhibits.



people with higher costs of completing the application process are more likely to drop out than others.

Although the higher cost per visit incurred by dropouts is primarily due to a greater probability of forgone wages, it is hard to put a precise dollar value on the difference. The difficulty is that information about whether the applicant himself was employed, and whether time had to be taken off from work, was collected only for individuals who made office visits. A substantial proportion of dropouts did not visit the food stamp office. As will be discussed in the following chapter, even for those who are employed, dropping out of the process is strongly associated with the probability of losing wages when making an office visit.

An approximate estimate of the contribution of forgone wages to the difference in costs between dropouts and approvals can be obtained by considering only those individuals who did make office visits. As previously noted, 3.4 percent of those who were approved lost wages when visiting the office, losing about \$30 on average, for an overall mean forgone wage cost of \$1.00 per respondent. For those dropouts who made office visits, the probability of forgone wages was 14.3 percent—more than four times as great. The mean amount of forgone wages was \$28 person, for an overall mean of \$4.03. These numbers imply that forgone wages would contribute \$3.03 more per office visit for dropouts than for those who were approved. The observed difference in cost per visit between the subgroups is \$2.88. Hence, it appears that this component is responsible for the observed difference in total costs.

3.2 Time Costs

Applicants for food stamps must engage in a number of time-consuming activities, including filling out an application form, participating in a certification interview, and gathering documentation. Applicants also incur transactional time costs, while travelling to and from the food stamp office, waiting in line, and attempting to get through to a caseworker on the telephone. In this section we present measures of these time costs.

The mean time spent applying for food stamps was nearly 5 hours as Exhibit 3.14 shows. As expected, time costs increased as applicants completed more of the process. Thus, those who did not even file an application spent only about an hour and a half on average, while those who

Exhibit 3.14
TOTAL TIME COSTS
(in hours)

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
Overall mean	5.6	2.5	4.3	4.4	4.2	4.8
(Standard error)	(0.2)	(0.2)	(0.3)	(0.3)	(0.4)	(0.1)
25th percentile	3.3	1.2	1.9	1.8	1.7	2.6
Median	5.1	2.0	3.6	3.2	3.3	4.1
95th percentile	11.8	6.0	11.6	11.8	14.6	11.8
For respondents who:						
Did not file						
Mean	3.0	0.9	1.5	1.0	1.1	1.7
(Standard error)	(0.6)	(0.3)	(0.4)	(0.2)	(0.2)	(0.2)
25th percentile	1.3	0.2	0.1	0.2	0.1	0.1
Median	2.2	0.6	0.2	1.1	1.2	1.3
95th percentile	7.9	3.3	5.9	2.3	2.7	5.9
Filed, but were not interviewed						
Mean	4.9	1.6	2.6	2.0	2.3	3.3
(Standard error)	(0.5)	(0.2)	(0.4)	(0.3)	(0.3)	(0.2)
25th percentile	2.4	1.1	1.0	1.1	1.0	1.1
Median	5.0	1.1	2.0	1.6	2.1	2.6
95th percentile	11.1	3.4	7.8	5.2	4.5	7.8
Were interviewed, but were not approved						
Mean	5.3	3.0	5.2	5.7	3.8	5.2
(Standard error)	(0.4)	(0.4)	(0.4)	(0.6)	(0.4)	(0.2)
25th percentile	3.3	1.5	3.2	2.8	2.4	3.1
Median	4.8	2.5	4.0	3.7	2.8	4.1
95th percentile	10.8	6.2	11.1	16.1	10.1	11.9
Were approved						
Mean	6.0	2.9	5.9	4.9	5.3	5.7
(Standard error)	(0.4)	(0.4)	(0.5)	(0.5)	(0.7)	(0.2)
25th percentile	4.1	1.7	3.3	2.6	2.3	3.3
Median	5.2	2.3	4.2	3.8	3.7	4.6
95th percentile	11.8	6.0	12.6	11.8	15.1	12.1
Unweighted N	187	93	159	157	110	706

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

were approved required nearly 6 hours on average to complete the process. Differences between each pair of strata are statistically significant at the 5 percent level and nearly all at the 1 percent level as well (one-tailed test).

Substantial variations may be seen across counties as well, particularly between the two Southern sites. In the Southern Rural county, the overall mean was under two and a half hours and in the Southern Urban site it was over 5 and a half hours—a statistically significant difference at the 1 percent level. The examination of the time components, below, will shed light on the sources of these differences.

Examining the median and 95th percentile values gives us an idea of the amount of variation that exists in time spent on the application process. For every county and stratum, the median total time cost is less than the mean, indicating that the distribution is positively skewed, although not nearly as much as out-of-pocket costs. In practically every instance, the 95th percentile value is two to three times greater than the mean. Thus, while the average time spent in the application process was 4.8 hours, 5 percent of the respondents reported spending 11.8 hours or more. The distribution appears to be particularly skewed in the Midwestern Rural county where the 95th percentile for total time costs is 14.6 hours for all respondents.

Examining the twenty-fifth percentile values, we see that a quarter of all respondents spend 2.6 hours or less on the process, and a quarter of all approved applicants spend 3.3 hours or less. Thus, a substantial number of people are able to complete the application process in a relatively short amount of time.

Total time costs are comprised of two types of components, as shown in Exhibit 3.15. One type consists of the substantive activities of the application process, including speaking with staff in person and on the telephone, completing the application form, and obtaining documentation. The other type represents the time spent in travel and waiting including transportation to and from the office for in-person visits, waiting to see staff in the office, attempting to get through to the office on the telephone, and waiting on hold on the telephone.

Examining the relative importance of the various components, we see that overall travel and waiting take nearly twice as much time as substantive activities (Exhibit 3.16). In addition,

EXHIBIT 3.15

COMPONENTS OF TIME COSTS OF APPLICATION

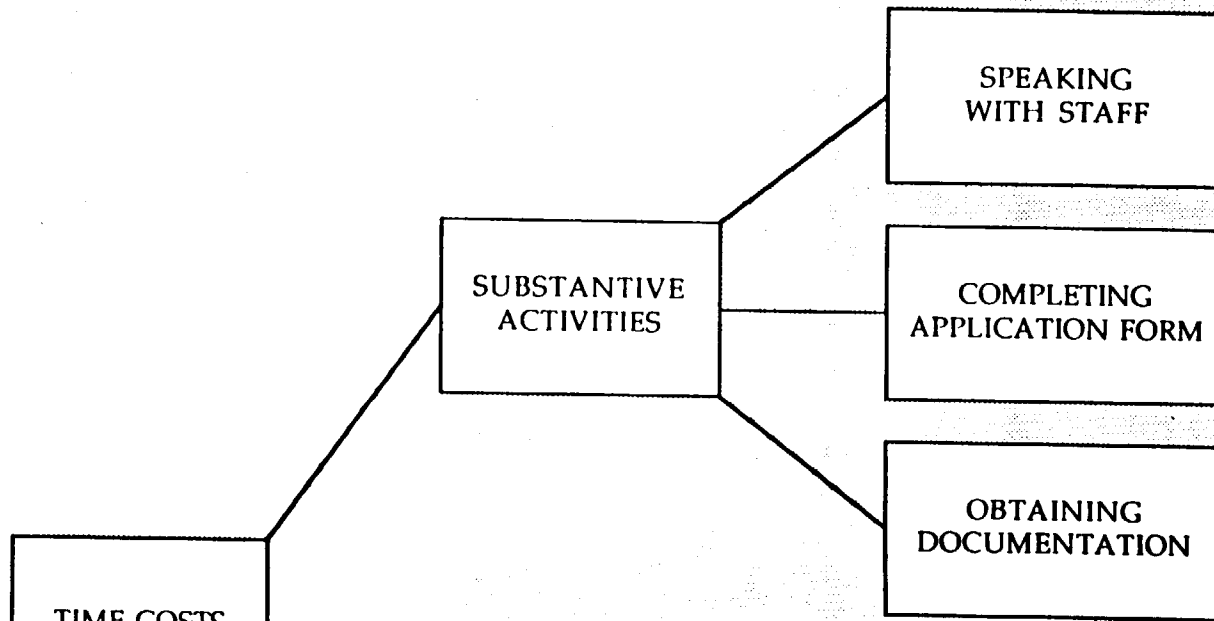
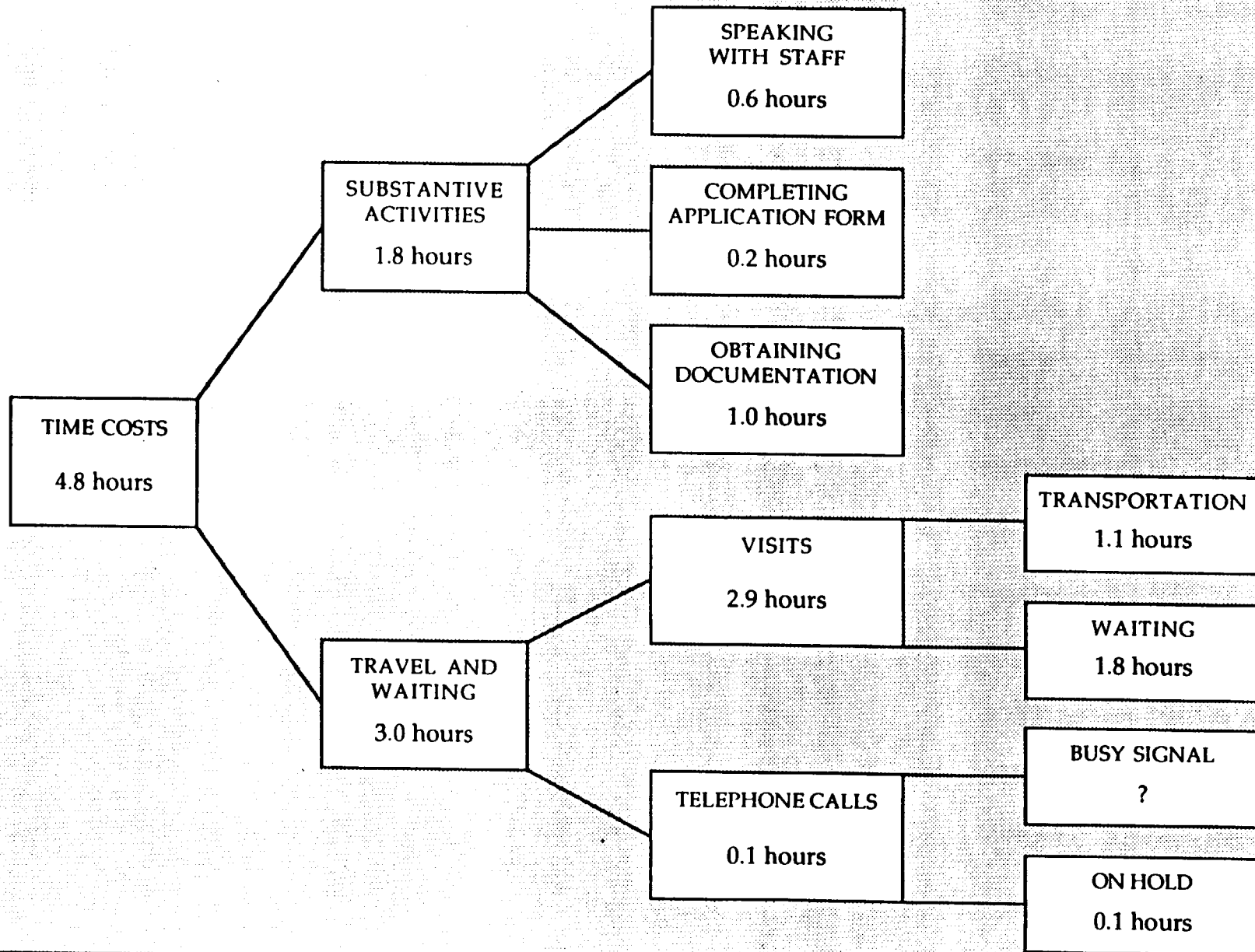


EXHIBIT 3.16

COMPONENTS OF TIME COSTS OF APPLICATION: ALL RESPONDENTS



Source: Data from 1990 survey of 706 food stamp applicants in five counties.

more than three times as much time is spent waiting to speak to staff as is spent actually meeting with them.¹

Those individuals who completed the application process and were approved to receive benefits spent an additional hour on the process compared to respondents in general (Exhibit 3.17). The time was spread among all the types of activities. However, like the group as a whole, this subgroup spent between 35 and 40 percent of the total time in waiting.

The remainder of this section examines the distributions of the individual components and how they vary across sites.

Substantive Activities

Required activities consumed about 1.8 hours for the average respondent as shown in Exhibit 3.18. This sum consists of:

0.5 hours meeting with caseworkers and other staff, including time spent in the certification interview;

0.1 hours conversing with caseworkers and other staff on the telephone;

0.2 hours completing an application form; and

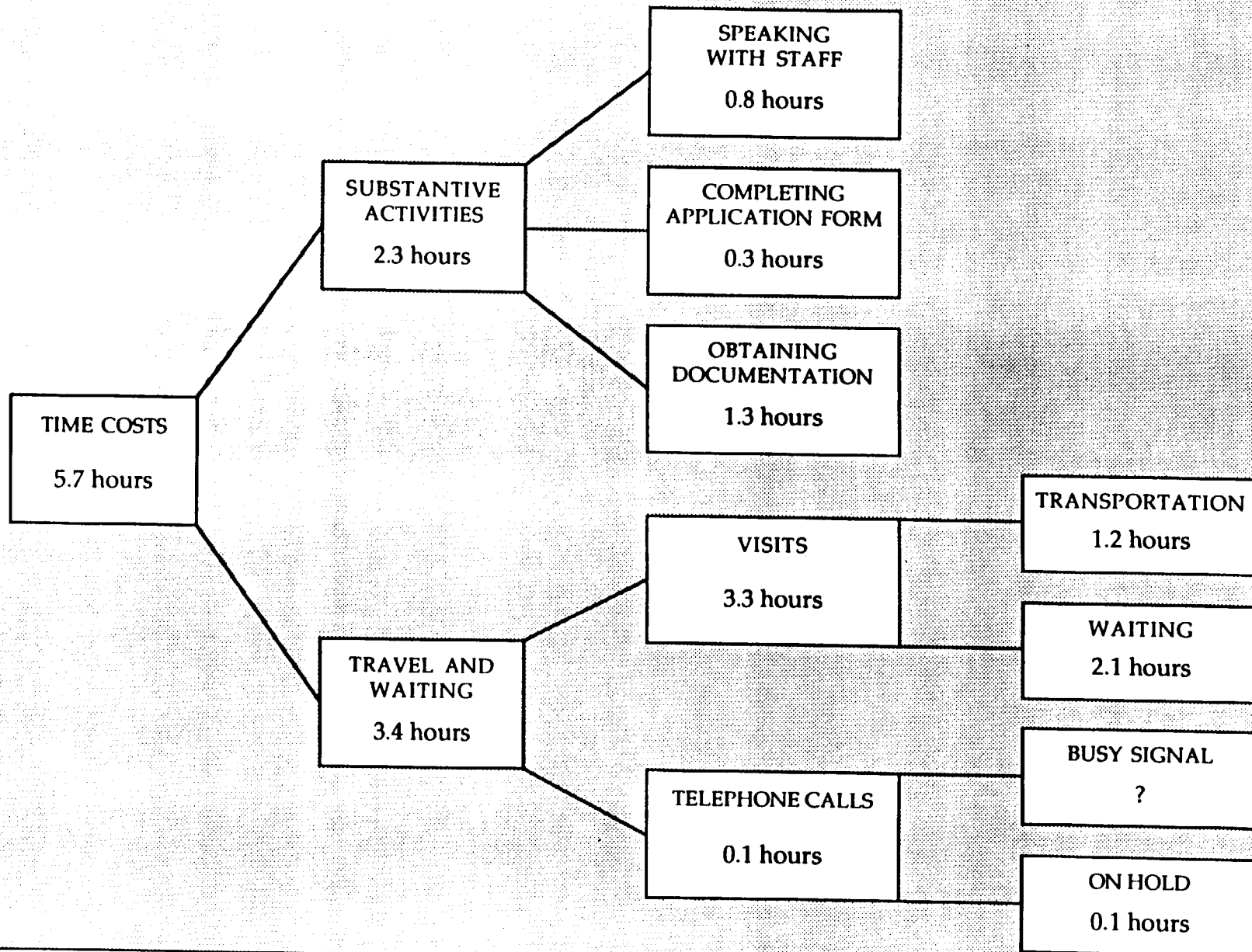
1.0 hours obtaining documentation.

These means conceal substantial variation especially with regard to time spent on documentation activities. About one-quarter of the sample spent no time at all on documentation, either because they did not get that far in the application process, or because their circumstances were such that there was little they had to verify and they had the necessary documents at hand (e.g. a single, homeless individual). However, five percent of respondents reported spending 4 hours or more engaged in this activity.

¹Data are not available on the amount of time required to get through to the office on the telephone. However, 34 percent of respondents reported that they got a busy signal "most of the time" they called the welfare office.

EXHIBIT 3.17

COMPONENTS OF TIME COSTS OF APPLICATION: APPROVALS



Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit 3.18

TIME COSTS OF SUBSTANTIVE ACTIVITIES
(in hours)

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
Hours spent meeting with staff						
Mean	0.6	0.4	0.4	0.6	0.6	0.5
(Standard error)	(0.04)	(0.05)	(0.03)	(0.05)	(0.05)	(0.02)
25th percentile	0.3	0.2	0.1	0.3	0.3	0.2
Median	0.5	0.3	0.3	0.5	0.5	0.5
95th percentile	2.0	1.5	1.1	1.7	1.8	1.6
Hours spent talking with staff on the telephone						
Mean	0.1	0.1	0.1	0.0	0.1	0.1
(Standard error)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
25th percentile	0.0	0.0	0.0	0.0	0.0	0.0
Median	0.0	0.1	0.0	0.0	0.0	0.0
95th percentile	0.5	0.4	0.4	0.3	0.3	0.4
Hours spent completing application						
Mean	0.2	0.2	0.3	0.3	0.2	0.2
(Standard error)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.01)
25th percentile	0.1	0.1	0.1	0.1	0.2	0.1
Median	0.2	0.3	0.3	0.2	0.2	0.2
95th percentile	0.5	0.5	0.5	0.8	0.5	0.5
Hours spent obtaining documentation						
Mean	0.9	0.5	0.9	1.0	1.6	1.0
(Standard error)	(0.12)	(0.11)	(0.12)	(0.12)	(0.24)	(0.06)
25th percentile	0.0	0.0	0.0	0.2	0.2	0.1
Median	0.3	0.2	0.3	0.5	0.5	0.3
95th percentile	5.0	2.0	4.0	3.0	6.0	4.0
Total time spent on substantive activities						
Mean	1.9	1.3	1.7	2.0	2.6	1.8
(Standard error)	(0.13)	(0.14)	(0.14)	(0.14)	(0.27)	(0.07)
25th percentile	0.8	0.5	0.5	0.8	0.8	0.7
Median	1.4	0.9	1.3	1.4	1.5	1.4
95th percentile	5.9	3.9	4.9	4.9	7.3	5.7
Unweighted N	187	93	159	157	110	706

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Marked variations in substantive time costs are also evident across sites. The mean time spent ranged from 1.3 hours in the Southern Rural county to 2.6 hours in the Midwestern Rural county. (Observed differences of 0.4 hours or more between pairs of sites are statistically significant at the 5 percent level, or better.) Practically all of the observed variation was due to differences in time spent obtaining documentation. Respondents spent an average of only half an hour in this activity in the Southern county, compared with over an hour and a half in the Midwestern county. The 95th percentile values support this view as well. Five percent of respondents in the Midwestern county spent 6 hours or more obtaining documentation. Supervisors in that county report that they request that their caseworkers be quite strict about acceptable forms of verification. Thus, some applicants may make several attempts before a document is accepted. In addition, staff report that a relatively large percentage of their clients are employed.¹ Documenting earnings, especially if they vary over the month and are from multiple sources, can require a considerable amount of time.

Travel and Waiting

These components of the application process take substantially more time than the substantive activities, a total of 3.0 hours on average. As shown in Exhibit 3.19, this total consists of:

1.1 hours spent in transit between the food stamp office and home (often over the course of several visits);

1.8 hours waiting to meet with caseworkers and other staff; and

0.1 hours spent on hold on the telephone.

Again, there are large variations within the sample. Five percent of respondents reported total waiting time of 5.4 hours or more, and total travel plus waiting time of 7.8 hours or more.

A component of waiting time that is hard to measure quantitatively is the degree of difficulty in getting through on the telephone. For the sample as a whole, less than 40 percent made any calls (though nearly 60 percent did so in the Southern Rural county). Of those who

¹According to the applicant survey, approved applicants in the Midwestern Rural county were considerably more likely to have earnings than approved applicants in the other sites.

Exhibit 3.19

**TIME COSTS OF TRAVEL AND WAITING
(in hours)**

	<u>Southern State</u>		<u>Midwestern State</u>			
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	TOTAL
Hours spent in transit						
Mean	1.2	0.8	1.0	1.4	0.9	1.1
(Standard error)	(0.07)	(0.07)	(0.07)	(0.17)	(0.08)	(0.04)
25th percentile	0.7	0.3	0.5	0.7	0.3	0.5
Median	0.8	0.5	0.7	0.8	0.7	0.8
95th percentile	3.0	2.0	2.7	5.0	2.0	3.0
Hours spent waiting to meet with staff						
Mean	2.6	0.4	1.5	0.9	0.6	1.8
(Standard error)	(0.14)	(0.05)	(0.14)	(0.10)	(0.05)	(0.07)
25th percentile	1.3	0.1	0.3	0.3	0.3	0.4
Median	2.0	0.3	0.9	0.5	0.5	1.3
95th percentile	6.0	1.8	5.4	3.0	1.5	5.4
Hours spent on hold						
Mean	0.1	0.0	0.1	0.1	0.0	0.1
(Standard error)	(0.01)	(<0.01)	(0.02)	(0.01)	(0.01)	(0.01)
25th percentile	0.0	0.0	0.0	0.0	0.0	0.0
Median	0.0	0.0	0.0	0.0	0.0	0.0
95th percentile	0.3	0.1	0.3	0.3	0.1	0.3
Total travel and waiting time						
Mean	3.8	1.2	2.6	2.4	1.6	3.0
(Standard error)	(0.17)	(0.10)	(0.17)	(0.22)	(0.12)	(0.09)
25th percentile	2.2	0.5	0.9	1.1	0.8	1.2
Median	3.4	1.0	2.1	1.6	1.4	2.4
95th percentile	8.3	3.4	7.1	10.4	3.7	7.8
Unweighted N	187	93	159	157	110	706

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

made calls, nearly half reported getting a busy signal "most of the time" before getting an answer. This proportion ranged dramatically from only 11 percent in the Southern Rural county to 75 percent in the Midwestern Large Urban county.

The patterns of variations in travel and waiting time by site are somewhat different than those observed for substantive activities. (All pairwise differences between counties, except that between the two urban Midwestern counties, were statistically significant at the 5 percent level, or better.) The Southern Rural county has the lowest mean time in this category, giving it the lowest total time costs. The county has one small, rural office with a relatively low volume of applications. Requests for applications, including prescreening, can be done over the telephone, which reduces the number of visits required and thus reduces the amount of time spent in travel and waiting. In addition, the office is rarely crowded, so applicants spend relatively little time waiting to meet with staff.

Applicants in the Southern Urban county spend the most time travelling to the office and waiting to meet with staff, almost 4 hours in total. Just over 2 1/2 hours of this time is spent waiting to meet with staff. Some respondents reported waiting even greater amounts of time, with 5 percent waiting 6 hours or more in total. From our observation in the office, applicants spend most of their time waiting at two points in the process. After filing an application, they wait between 1 and 3 hours for a pre-screening interview, where they are screened for eligibility for expedited services and for gross Program eligibility. Second, the interview time given to applicants is one-half hour before they are actually scheduled to meet with the caseworkers, and thus applicants who arrive on time are required to wait at least one-half hour.

Total Time Costs

As noted above, total time costs for the sample as a whole were 4.8 hours. A little over a third of this time is spent performing activities required of the application process, including meeting with staff, obtaining necessary documentation, and filling out the application form. The remainder of time is spent in transit to the food stamp office or waiting to talk with staff.

Total time spent was fairly similar in all the Midwestern sites, a little over 4 hours in total. Time spent by applicants in the Southern Urban county was by far the greatest, primarily due to time spent waiting to meet with staff. In contrast, applicants in the Southern Rural county reported the least amount of time spent, because applicants made fewer trips than in other offices and because they spent less time waiting.

3.3 Summary and Conclusions

On average, applicants and potential applicants spend about 5 hours and incur expenses of \$10.40 on activities required to apply for food stamp benefits. All programs impose time and monetary costs on applicants, though no comparable figures exist for other programs to allow us to determine how the costs of applying for the Food Stamp Program compare to the costs of applying for other programs. These numbers do not seem to indicate that the application process is particularly costly or burdensome, especially when we compare the costs against the expected stream of future benefits. Nonetheless, applicants who do not have \$10 may have difficulty with the process.

In addition, the averages hide the fact that some applicants bear substantial costs. The analysis showed that 5 percent of applicants and potential applicants spend in excess of \$46 applying for benefits including out-of-pocket expenses and forgone wages. Excluding forgone wages from the calculation, 5 percent of all individuals incur actual out-of-pocket expenses in excess of \$33. Some also spent significantly more time than average. Five percent reported spending 12 or more hours on required activities.

Chapter Four

COMPLETION AND DROPOUT RATES AND REASONS FOR DROPPING OUT OF THE APPLICATION PROCESS

One of the central objectives of this study was to learn how many applicants and potential applicants complete the application process and how many drop out at each stage along the way. These data, which have been unavailable before now, provide an important indication of whether the application process as it is currently structured presents a barrier to participation in the Food Stamp Program. Because the analysis shows that not everyone who contacts the food stamp office to obtain information about benefits completes the process, a second important policy issue concerns why these individuals do not complete the application process.

This chapter explores variations across sites in the percent of applicants who complete the process and the percent who drop out at different stages. We then present respondents' self-reported reasons for not completing the application process, distinguishing those who did not think they would be eligible for benefits and those who thought they would be eligible for at least some amount of benefits. We refer to the former group as dropouts due to "perceived ineligibility" and the latter group as "process dropouts." Finally, we examine household characteristics to show how the process dropouts and those who perceived themselves ineligible for benefits differ from completers with respect to household composition, special needs, demographic characteristics, income sources, costs of applying, available supports, and estimated food stamp allotment.

4.1 Completion Rates by Site

As discussed in Chapter 1, each of the five food stamp offices maintained a reception log that recorded the names of everyone who inquired about food stamps, AFDC, or assistance in general. We used automated data from the two states to determine the final disposition of each case. Individuals for whom records could not be found in the automated data were assumed to have not filed an application. Other individuals were classified as:

- having filed, but not having attended the certification interview;
- having attended the certification interview, but not having provided all necessary verification;
- approvals; and
- "other denials"--i.e., denials for circumstantial rather than procedural reasons.¹

The completion rates that are presented in this section are based on the automated data. We did, however, make an adjustment with regard to those who apparently did not file an application. In some instances, a household that filed would give a different name for the head of household than that of the individual who appeared on the reception log. These cases would erroneously appear to us to have not filed, because there would be no record in the automated data of the person on the reception log. To correct for this, we asked local offices to search their records to see if some of the individuals who were on the reception log but not on the automated data base were members of households that had indeed filed. About a fifth of the sample of those who apparently did not file, for whom this check was made, were determined to belong in other strata. The cell counts were therefore adjusted proportionately.

Across the five sites, nearly one-fifth (18.5 percent) of individuals who approach the food stamp office to find out about the program do not file an application (see Exhibit 4.1). Another 11.2 percent file, but do not attend the certification interview, while 4.1 percent drop out at the documentation stage. Another 8.6 complete the process (or at least as much of the process as is required), but are denied benefits. The remaining 57.6 percent are approved for food stamp benefits. Those who are approved for benefits represent 71 percent of those who

file an application and 87 percent of those who complete the application process.

¹The interview sample was stratified according to this determination. In the interviews, however, respondents often reported having accomplished more or less of the process than indicated by the automated data.

Exhibit 4.1

PERCENT COMPLETING EACH STEP OF
THE APPLICATION PROCESS

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
Obtained information but did not file an application						
Percent	9.0%	21.8%	31.4%	10.6%	18.7%	18.5%
(Standard error)	(0.7)	(2.2)	(1.0)	(0.7)	(1.6)	(0.5)
Filed an application but did not attend the certification interview						
Percent	7.0	1.7	14.3	14.7	13.1	11.2
(Standard error)	(0.6)	(0.7)	(0.8)	(0.9)	(1.4)	(0.4)
Had certification interview but did not provide all necessary verification						
Percent	2.7	6.5	4.3	6.6	4.6	4.1
(Standard error)	(0.4)	(1.3)	(0.4)	(0.6)	(0.9)	(0.2)
Denied for other reasons*						
Percent	10.7	11.6	5.6	10.1	9.2	8.6
(Standard error)	(0.7)	(1.7)	(0.5)	(0.7)	(1.2)	(0.3)
Approved						
Percent	70.5	58.5	44.4	58.1	54.5	57.6
(Standard error)	(1.1)	(2.6)	(1.1)	(1.2)	(2.1)	(0.6)
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
N	1877	354	2059	1709	567	6566

* Includes all those denied for reasons other than failing to complete the certification interview and to provide all verification. Not all, however, were required to complete the interview or the verification.

Source: Data collected in 1990 in five counties from 6,566 administrative records.

These figures indicate that most people who contact the food stamp office for information about the program complete the process and are approved to receive benefits. However, a substantial number fail to complete the process. In fact, four times as many people drop out of the process as complete the process but are denied benefits.

Note that, although we refer to the non-completers as "dropouts," individuals may have differing reasons for not taking the next step. For example, some individuals may conclude after an initial inquiry that they are ineligible for food stamps. Others may decide that the benefits are too small or the process too difficult to make it worthwhile to proceed. Still others may not make a conscious decision not to apply, but may not "get around to it." The next section explores these possible reasons for non-completion.

People who do not follow up on their initial contact by filing an application account for more than half of the non-completers. The least common type of non-completion is the failure to provide verifications after having attended a certification interview.

This latter group--applicants who complete the interview but do not provide complete verification--is smaller than we expected based on interviews with office staff and community advocates. The observed numbers range only from 3 to 7 percent of all persons contacting the offices, and from 3 to 9 percent of all that completed the certification interview.¹ It is possible that instances of applicants having difficulty with verification are more visible to workers and advocates than other types of non-completion.

The proportions completing each step varied substantially by site. At least some of this variation seems to reflect differences in office procedures. For example, the Southern Urban office got the highest proportion of applicants through the process. Approximately 70 percent of all those who contacted the food stamp office went on to receive benefits. This is significantly higher than the percentage in any other office studied (at the one percent level of

¹The conditional probabilities are: 3.2 percent for the Southern Urban county; 8.5 percent for Southern Rural; 7.9 percent for Midwest Large; 8.8 percent for Midwest Mid-sized; and 5.8 percent for Midwest Rural. For all five counties combined, the conditional probability is 5.8 percent.

statistical significance). The percent dropping out of the process at each stage in the Southern Urban office was also substantially less than the average. From our office observations, it is not surprising that most file an application: the wait to get an application form is short and the receptionists direct everyone to fill it out and return it to the front desk. Staff also point out that the county is relatively poor, which may contribute to the high approval rate.

The Midwest Large county, in contrast, had the lowest approval rate and by far the highest proportion of people not even filing an application.¹ During our observations, the wait to get an application form ranged between 15 minutes and one hour. Individuals had to wait in line as long a second time to turn in the completed form. Perhaps this wait inhibited filing.²

The no-file rate in the Southern Rural county is slightly above average while the no-interview rate is markedly below average. As discussed in Chapter 2, this county pre-screens potential applicants for Program eligibility on the telephone prior to mailing out an application. This undoubtedly affects the proportion who end up filing. Perhaps the pre-screening encourages applicants to attend the certification interview because they know they are likely to be eligible for benefits.

Although these cross-office differences are suggestive, they must be seen in the context of more complete information on recipients' reasons for not completing the process. The next section turns to this issue.

4.2 Reported Reasons for Dropping Out

Respondents who were not approved to receive food stamps were asked two types of questions about why this happened. First, the interviewer asked about the main reason the respondent did not get food stamps. Their responses were recorded verbatim and then coded into categories. Second, the interviewer posed a series of questions to everyone who did not get

¹Both rates are significantly different from the other four counties at the one percent level.

²During our visit in February, 1991, office staff reported that they had reorganized the application process so that individuals did not have to stand in line to get an application, but could simply get one out of a bin on the wall. It is not known whether this has increased the numbers filing an application.

food stamps except those who were explicitly told in writing by the food stamp office that they were ineligible due to excess income, savings, or assets. The queries named 22 possible reasons for non-completion, asking whether each was "very important", "somewhat important", or "unrelated" to the respondent's decision not to pursue their food stamp application.

Exhibit 4.2 shows the distribution of responses given to the open-ended "main reason" question. Respondents are grouped according to how far they got in the application process.¹

A little over half of all those who did not complete the process attributed their failure to receive benefits to excess income or assets, or a related reason. Approximately 10 percent of all dropouts reported that they could not free up the necessary time, and 8 percent reported they could not attend the interview. Two other reasons offered by significant numbers of respondents were inability to obtain necessary documents (6 percent), and not being contacted by the food stamp office as expected (5 percent).

Feelings of pride or stigma are cited by only half a percent of the respondents, concentrated among those who did not file. To the extent that stigma prevents eligible households from receiving food stamps, it is likely that they do not even get as far as asking for information about the Program.

Some variation in the distribution of reasons is seen depending on how far individuals got in the process. Among those who did not file an application, the most notable feature is a large proportion of people who provided no reason in response to the survey question. People who filed an application but were not interviewed report, not surprisingly, a concentration of problems related to attending the interview, including a substantial number who reported transportation or babysitting problems. In addition, 8 percent of these respondents were apparently waiting to be contacted by the food stamp office. It may be that they were expecting to receive an appointment letter. Finally, a high proportion reported finding a job in the interim.

¹The coding and grouping of codes was done during data cleaning and processing. Responses by site are reported in Appendix A. They should be treated cautiously, however, as the number of cases on which the percentage distributions are based is relatively small.

Exhibit 4.2

MAIN REASON NON-APPROVED RESPONDENTS GAVE
FOR NOT RECEIVING FOOD STAMPS

	Survey Stratum				TOTAL
	Did not file appli- cation	Did not complete inter- view	Did not furnish all verifi- cation	Other denials	
<u>Circumstantial eligibility factors and changed circumstances</u>	<u>48.6%</u>	<u>43.2%</u>	<u>45.2%</u>	<u>74.8%</u>	<u>52.6%</u>
Excess income	30.4	24.0	37.4	69.4	38.6
Perceived income ineligibility	10.9	2.5	1.1	1.1	4.1
Excess assets	0.9	0.7	2.3	2.4	1.4
Quit job	0.0	0.3	0.5	0.2	0.2
Found a job	3.8	13.7	3.9	1.7	6.9
Found another way of working things out	2.6	2.0	0.0	0.0	1.4
<u>Related to interview</u>	<u>3.1</u>	<u>16.9</u>	<u>1.0</u>	<u>5.3</u>	<u>8.3</u>
Transportation problem	2.9	6.4	0.0	0.2	3.1
Scheduled too far in future	0.0	4.5	0.0	0.0	1.6
Missed interview, unspecified reason	0.2	6.0	1.0	5.1	3.6
<u>Related to verification</u>	<u>4.6</u>	<u>4.0</u>	<u>27.7</u>	<u>0.1</u>	<u>6.6</u>
Documents unobtainable	4.4	3.7	22.3	0.1	5.7
Missed time window for submitting documents	0.2	0.3	4.7	0.0	0.8
Refused to provide	0.0	0.0	0.7	0.0	0.1
<u>Problems related to time</u>	<u>12.5</u>	<u>14.9</u>	<u>13.0</u>	<u>2.4</u>	<u>10.9</u>
Couldn't get time off work	2.3	3.0	0.9	0.0	1.8
Babysitter problems	0.0	0.4	0.0	0.0	0.1
Process required too much time or hassle	10.2	10.1	12.0	2.4	8.5
Unspecified time constraint	0.0	1.4	0.0	0.0	0.5
<u>Other reasons</u>	<u>31.3</u>	<u>21.1</u>	<u>13.2</u>	<u>17.4</u>	<u>21.7</u>
Pride or stigma	1.6	0.1	0.1	0.0	0.5
Illness	0.5	3.3	1.0	0.0	1.5
Not contacted by food stamp office as expected	4.4	8.0	1.6	2.8	4.9
Did not finish process, unspecified reason	19.5	0.0	0.0	0.0	4.9
Other	5.3	9.7	10.5	14.6	9.9
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Proportion of all respondents	18.5%	11.2%	4.1%	8.6%	42.4%
Unweighted N	85	151	124	119	479

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Twenty-two percent of those who were interviewed but did not complete verification cited an inability to obtain the necessary documents as the reason they did not receive benefits¹. This is notable, because only a refusal to provide documents, not an inability, is a valid reason for denial.

Finally, for those who completed the process to the extent required, excess income and assets was the overwhelmingly prevalent reason for denial of benefits.

Additional evidence concerning reasons for not completing the application process is provided in Exhibit 4.3, which shows first the proportion of respondents who reported receiving a letter from the food stamp office explicitly telling them they were ineligible, due to excess income or resources.² It then shows for the remaining respondents the proportion who rated particular factors as "very important" in their decision not to continue with their food stamp application. The base for this table is all respondents who did not complete the application process³.

Combining the first two rows of the table, it appears that somewhat over half of the dropouts did not proceed with the application at least in part because they believed or were told that they were ineligible. This is especially true for individuals who did not file an application, who account for more than half of all dropouts.

Among individuals who were interviewed but did not provide all verification, nearly a third cited an inability to provide documents as a very important reason for not proceeding. Furthermore, 11 percent of all dropouts reported an inability to provide social security numbers for all household members. Yet neither of these reasons should, in principle, cause a person

¹People who were applying for AFDC as well as food stamp benefits had some documentation requirements that pertained only to AFDC. The data do not directly indicate which requirements caused the reported problem.

²According to the exhibit, 1 percent of persons who do not file an application receive such a letter. This statistic, based on a single observation, undoubtedly represents a confusion on the part of that respondent.

³This excludes the group labeled "Other denials" in Exhibit 4.2, all of whom presumably received a formal notice of denial from the agency.

Exhibit 4.3

**FACTORS RELATED TO DISCONTINUANCE OF
FOOD STAMP APPLICATION PROCESS**

<u>Factors</u>	<u>Did not file application</u>	<u>Did not complete interview</u>	<u>Did not provide all verification</u>	<u>TOTAL^b</u>
<u>Received a Letter Indicating Ineligibility</u>	1.4%	10.2%	9.3%	7.1%
Did not receive a letter, but responded that the following factors were "very important":				
<u>Perceived ineligibility^a</u>	<u>65.0%</u>	<u>40.0%</u>	<u>42.7%</u>	<u>48.8%</u>
Applicant told or made to think would not be eligible	25.3	14.4	30.7	21.2
After hearing rules, applicant knew would be ineligible	39.1	11.3	10.9	20.4
Situation changed and no longer needed food stamps	33.6	22.4	8.1	23.4
<u>Inability to obtain required information or verification^a</u>	<u>11.2</u>	<u>18.5</u>	<u>52.9</u>	<u>22.7</u>
Could not provide all documents	0.4	8.2	31.5	10.1
Could not provide SSNs for all household members	6.4	13.0	15.3	11.3
Knew other household members would not cooperate with application	9.1	5.9	30.2	11.6
<u>Other problems with process^a</u>	<u>44.8</u>	<u>40.8</u>	<u>40.1</u>	<u>42.0</u>
Family emergency prevented completion of process	5.2	6.5	11.7	7.1
Not willing to provide SSNs for all household members	8.8	1.4	1.1	3.8
Did not want to do monthly reporting	4.9	0.8	2.7	2.5
The office was depressing	2.5	5.8	2.3	4.0
Wait at the office was too long	20.9	13.6	16.7	16.6

Exhibit 4.3
(continued)

<u>Factors</u>	Did not file application	Did not complete interview	Did not provide all verification	TOTAL ^b
<u>Other Problems with Process</u> (continued)				
Hard to get to the office	10.3	15.9	10.1	12.9
Could not get to the office during office hours	16.8	6.9	9.6	10.7
Application form was confusing	7.4	3.0	2.4	4.3
Reading and writing on the forms was too hard	2.3	5.4	1.4	3.6
Did not want to sign form stating could be arrested for incorrect information	4.4	2.3	2.2	2.9
<u>Stigma^a</u>	<u>0</u>	<u>1.3</u>	<u>1.5</u>	<u>0.9</u>
Did not want to be seen going into the food stamp office	0	0.9	1.0	0.6
Did not want to be seen using food stamps in grocery store	0	1.3	1.0	0.8
<u>Benefit level and timing^a</u>	<u>16.5</u>	<u>31.2</u>	<u>38.0</u>	<u>27.6</u>
Amount of benefits was too small	7.4	7.8	19.4	9.9
It would take too long to receive food stamps	14.0	29.1	21.3	22.6
<u>Action steps^a</u>	<u>17.3</u>	<u>27.9</u>	<u>16.0</u>	<u>22.1</u>
Confused about what was required to apply	12.4	7.3	4.5	8.5
Never heard from office about what to do	11.7	23.8	12.4	17.6
Unweighted N	85	150	122	357

^a Underlined categories show the percent saying "very important" to one or more of the following non-underlined items. Because respondents could say that more than one factor was "very important," the category percentage may be less than the sum of the included item percentages.

^b Excludes respondents who completed the application process (i.e., those approved for food stamps and those who were denied for reasons other than failing to attend a certification interview or failing to provide required documentation).

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

to be denied benefits. Applicants are not to be denied unless they refuse to provide verification documents. The office is supposed to provide assistance to those who are having difficulty obtaining documents. In addition, household members do not need social security numbers to apply for food stamp benefits, though they do need to show that they have applied for numbers.

The survey results suggest that some applicants are confused about these verification issues. From our observations in the local offices, this is not surprising. Caseworkers did not routinely offer to help applicants with documents. The burden rests with applicants to ask for help, and the applicants may not know that such requests are legitimate. Staff report that they are not surprised some people have trouble with the SSN requirement due to the difficulty of producing the necessary birth certificate(s). In addition, staff in the Midwestern offices reported that they are no longer permitted by the Social Security office to fill out and submit application forms for SSNs for food stamp applicants.

Over 40 percent of all respondents cited at least one other problem with the application process as very important. Most often cited were a long wait at the office, difficulty in getting there, and the limited hours of operation, each of which was noted as a very important reason by 11 to 17 percent of respondents. Stigma once again was not seen as an important issue. Finally, over 20 percent indicated confusion about what they were supposed to do next.

Almost one-quarter of all respondents reported that they did not complete the application process because it would take too long to get benefits. At first glance, it is hard to understand exactly what people mean by this. However, local office staff report that some people are faced with an immediate, though what they consider will be a short-term, need for food stamps. For example, an applicant who is laid-off from a job may anticipate being recalled in a month. The household needs benefits this week, but will not need them next month.

The factors named as "very important" varied somewhat by site, as shown in Exhibit 4.4 for the summary categories. Perceived ineligibility is more often an important factor in the Midwest Mid-size county than in any other site. This may occur because that county's receptionists conduct an informal "pre-screening" when an individual files a signed application.

Exhibit 4.4

**FACTORS RELATED TO DISCONTINUANCE OF FOOD STAMP
APPLICATION PROCESS, BY COUNTY**

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL*
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
Received a Letter Indicating Ineligibility	17.7%	12.3%	2.1%	8.0%	5.1%	7.1%
Did not receive a letter, but responded that the following factors were "very important":						
Perceived ineligibility	45.3	35.9	47.5	62.0	49.1	48.8
Inability to obtain required information or verification	12.3	12.1	29.2	16.3	21.6	22.7
Other Problems with Process	33.9	9.0	50.2	28.2	35.2	42.0
Stigma	0.7	0.0	0.0	3.9	6.7	0.9
Benefit Level and Timing	15.1	8.0	34.1	26.3	26.7	27.6
Action Steps	10.6	7.5	29.0	18.3	12.2	22.1
Unweighted N	95	47	78	81	56	357

* Excludes respondents who completed the application process (i.e., those approved for food stamps and those who were denied for reasons other than failing to attend a certification interview or failing to provide required documentation).

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

If an applicant's gross income exceeds Program allowances by hundreds of dollars, the receptionist sometimes informs the applicant that he or she is ineligible.

Reported inability to obtain required information or verification is especially common in the Midwest Large county. Other problems with process are also cited more often in that site than in others, as are issues of benefit level and timing, and not knowing what to do next. In our observations, this office was the most crowded and confusing of all the offices visited. The office serves a large caseload so there is constant activity. Coupon issuance occurs in the office which makes the reception area extraordinarily crowded during the beginning of the month. Office staff report that caseworker turnover has been high, leaving them with relatively inexperienced workers.

Respondents in the Southern Rural county were least likely to cite "very important" problems in any category. This office is relatively small and is rarely crowded. In our observation, clients were served quickly and in a quiet, controlled setting.

Some supplementary questions were asked to probe for difficulties with the application form and with documentation. Among those who filed an application, only 4 percent indicated that they needed help but did not receive it. In contrast, among those who did not file, 14 percent said they needed help and did not receive it. These individuals were concentrated entirely in the two large urban offices.

Exhibit 4.5 presents some data on applicants' reported difficulty obtaining specific documents. It should be noted that no distinction is made here between documents required for the food stamp application and those required for AFDC.¹ In comparing the two sets of columns, it must be borne in mind that those who were denied for not providing all documents comprised only 4 percent of all persons making an initial inquiry, and just under 6 percent of those who completed the certification interview.

¹Most applicants do not distinguish between the documents required for the different programs. Caseworkers do not clarify which are AFDC requirements and which are food stamp requirements. Thus, applicants view documentation as a single issue.

Exhibit 4.5

DOCUMENTATION REQUIRED AND PROVIDED: APPLICANTS DENIED FOR
FAILING TO PROVIDE ALL DOCUMENTS VERSUS APPROVED APPLICANTS

	Denied for Not Providing All Documents (Unweighted N=124)			Approved to Receive Food Stamps (Unweighted N=227)	
	Percent Required to Obtain Document	Percent That Obtained Document if Required to Do So	Percent Having Difficulty Obtaining Document if Required to Do So	Percent Required to Obtain Document	Percent Having Difficulty Obtaining Document if Required to Do So
VERIFICATION:					
<u>Identifying Information</u>					
Identification	96.0%	88.8%	12.6%	98.1%	5.0%
Residency	96.7	96.5	3.3	91.3	8.2
Household					
Composition	46.0	95.7	23.5	45.8	9.2
SSN Number	97.4	86.4	25.3	97.5	7.4
Apply for SSN	42.8	84.4	52.3	30.8	28.2
Alien Status	9.1	96.4	12.1	12.0	0.9
Collateral					
Contacts	56.6	96.0	16.9	77.1	5.4
<u>Income</u>	89.2	69.0	26.8	91.4	14.3
<u>Resources</u>					
Checking/Saving					
Account	60.3	46.1	12.0	48.1	10.4
Title or					
Registration					
for Vehicles	26.9	75.8	5.6	32.9	5.9
Other	34.9	59.0	16.1	21.3	12.4
<u>Expenses</u>					
Rent, Mortgage,					
or Utility	66.8	75.4	23.8	83.9	8.0
Dependent Care	30.5	68.5	1.5	25.8	10.7
Medical	40.6	54.4	26.0	28.8	8.9
<u>AFDC/Medicaid Only</u>					
Age	72.8	98.4	27.9	66.1	7.2
School					
Attendance	14.5	98.6	1.4	13.6	7.2
Pregnancy	14.9	44.5	0.0	8.9	0.7
Marital Status	13.4	88.8	18.4	19.1	9.0
Absent Parent	24.0	92.8	3.1	31.9	31.9

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Among applicants denied because of failure to provide documents, verifications of income and of checking and savings accounts seem to be the most problematic eligibility-related items. Verification of income was required of 89 percent of these households, but provided by only 62 percent of them. Verification of checking and savings accounts was required of 60 percent of this subgroup, but provided by only 28 percent. These applicants often did not provide proof of expenses, but this would not have caused them to be denied benefits.

Some items, though usually obtained, were said to be especially difficult to obtain. Individuals who did not complete their documentation most often mention acquisition of a Social Security number, followed by documentation of household composition, extant Social Security numbers, housing expense, medical expenses, and surprisingly, age. Among the much larger number who were approved for benefits, only new applications for Social Security numbers and documentation of absent parents were thought to be particularly difficult.

While documentation is not a problem for most applicants, it is clearly a confusing issue for some. In fact, a comparison of the agency's reasons for denial of benefits, as recorded in the automated data, with the self-reported information on the survey indicates that more than half of respondents who did not supply required documents thought they had provided all that was required. In addition, many others reported they were unable to obtain the required document(s). Respondents in the Midwest Large county reported the most confusion over how to get documents and knowing exactly what the caseworker wanted.

4.3 Reasons for Dropping Out: Perceived Ineligibility Versus Process Dropouts

It was reported earlier that 34 percent of all those who contact the food stamp office to obtain information about the Program do not complete the application process. The important issue from a policy perspective is why these people did not follow through and whether the application process itself affected people's decisions.

Exhibit 4.6 shows how we used the survey data presented in the previous section to distinguish between respondents who did not complete the application process because they thought they were ineligible for benefits, and those who thought they were potentially eligible

for benefits but still did not complete the process. We refer to this latter group as "process dropouts." Some of this group had difficulty with the requirements of the process and some perceived that the potential benefits were too small to be worth taking the time to complete the application process. We used the respondents' reported main reason for not receiving benefits (Exhibit 4.2), together with the factors that they cited as "somewhat important" or "very important" (Exhibit 4.3), to define the groups.

First, we classified as "perceived ineligible" those applicants who reported that the main reason they did not complete the application process was that they believed that they would be ineligible for benefits. Thus, in Exhibit 4.6, 45.4 percent of all those who did not complete the application process perceived themselves ineligible.

All other respondents reported that the main reason they did not receive food stamps was related to the application process. For some of these individuals, however, potential ineligibility may have been a factor in abandoning the application process, even if not the main factor. For example, a person who misses the certification interview may give this as the main reason they did not receive benefits. However, if that person also reports that excess income was an important factor in discontinuing the application process, we might not want to attribute the failure to receive benefits entirely to difficulties with the application process. Thus, we use the data presented in Exhibit 4.3 to define a person as being entirely a process dropout only if the primary reason was related to the application process and the person reported no "very" or "somewhat" important circumstantial reason for not receiving benefits.

Exhibit 4.6 shows how the variables used to define process dropouts are related. We see that for 29 percent of those who did not complete the application process, the only reasons they gave were related to the application process. We consider this group entirely process dropouts. Another 26 percent are mainly process dropouts, although all of them also noted some factor suggestive of circumstantial ineligibility.

Using these definitions, we estimate that nearly one-fifth of all households making an initial inquiry about food stamps drop out of the application process at least partly because they were deterred by some aspect of the application process. This includes those who had

difficulties and could not complete one or more of the application requirements as well as those who could have completed the process but chose not to because they judged that the benefits were too small to be worth the time and effort required. The figures are shown in Exhibit 4.7.¹ Most of those who contacted the food stamp office were approved to receive benefits (58 percent). Nine percent completed the process, but were denied benefits. Another 16 percent stated their apparent ineligibility as the main reason they did not receive benefits. The remaining 18 percent were process dropouts, 9 percent entirely so, and 9 percent mainly so.

It is reasonably clear, then, that some individuals make some effort to obtain food stamp benefits, believe themselves potentially eligible for benefits, but still do not complete the application process. The number of such people is small but not trivial. At 9 percent of all who make an initial contact with the food stamp office, it is about the same as the number of people who complete the application process but are found to be ineligible because of their income or other household circumstances.

Process dropouts are clearly more of an issue in the Midwest Large county than any other site. Thirty-one percent of all individuals contacting that food stamp office for information were mainly or entirely process dropouts, compared with only 8 to 17 percent in the other sites. Furthermore, process dropouts account for 61 percent of those who failed to complete the application process in Midwest Large, but only between 40 and 50 percent in the other four sites.² As discussed in earlier sections, the application process in the Midwest Large office appeared to have more problems than elsewhere due to crowded office conditions, long waiting times, and relatively inexperienced caseworkers.

¹The table is derived by multiplying the rates of process discouragement calculated from the survey (Exhibit 4.6) times the appropriate completion rates from the automated data (Exhibit 4.1).

²These rates were calculated by dividing the sum of the values in the last two rows by the sum of the values in the last three rows. For Southern Rural, for example, $(8.5 + 5.9)/(15.6 + 8.5 + 5.9) = 48.0$.

Exhibit 4.7

OUTCOME OF THE APPLICATION PROCESS
FOR ALL WHO CONTACTED THE FOOD STAMP OFFICE

	<u>Southern State</u>		<u>Midwestern State</u>			TOTAL
	Large Urban County	Rural County	Large Urban County	Mid-Sized Urban County	Rural County	
<u>Approved</u>	70.5%	58.5%	44.4%	58.1%	54.5%	57.6%
<u>Not approved</u>	29.5	41.5	55.6	41.9	45.5	42.4
Completed process, but denied*	10.7	11.6	5.6	10.1	9.2	8.6
Perceived ineligible	10.8	15.6	19.3	18.4	19.8	15.7
Entirely process dropouts	4.9	8.5	14.6	5.6	7.4	9.1
Mainly process dropouts	<u>3.1</u>	<u>5.9</u>	<u>16.1</u>	<u>8.0</u>	<u>9.2</u>	<u>9.1</u>
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

* Includes all those denied for reasons other than failing to complete the certification interview and to provide all verification. Not all, however, were required to complete the interview or the verification.

Source: Data collected in 1990 in five counties from 6,566 administrative records and a survey of 706 food stamp applicants.

4.4 Relationship to Household Characteristics

The analysis in the previous section showed that almost one-fifth of food stamp applicants and potential applicants do not complete the application process even though they believe that they would be eligible for some amount of benefits. Given this finding, it is important to attempt to understand why these people do not complete the process and whether some types of households have more difficulty than others.

Characteristics of the Study Population

Before examining the subgroups, it is worth noting some special characteristics of the respondent population. Initially, one might expect the respondents to have the same general profile as the national caseload of food stamp recipients. Differences will appear, of course, to the extent that the study sites differ from the rest of the nation. But differences will also arise from two important features of the population being studied here.

First, the study population includes people who contact the food stamp agency but do not go on to receive food stamps. It therefore includes some households that are ineligible for benefits and some that do not pursue their application because they would qualify for only small benefits. Not surprisingly, then, the study population has a much higher proportion of households with earnings than the national food stamp caseload (51 percent vs. 20 percent).

Second, the study population represents a "cohort," a group of potential applicants who would all enter the Food Stamp Program at about the same time. They are all counted equally in the sample, regardless of the length of time they might subsequently receive food stamps. In contrast, national caseload statistics count each household once if it receives benefits in a given month, which gives greater weight to the households who receive many months of benefits. As a result, even if we look just at those respondents approved for benefits, groups that tend to have longer food stamp spells make up a smaller proportion of the sample than of the national caseload (examples are the elderly and households receiving cash assistance).

Key characteristics of the study population are summarized in Appendix A, Exhibit A.6, which presents comparable figures for the national food stamp caseload. In the remainder of

this chapter, however, we focus not on the size of the subgroups but on their propensity to drop out of the application process and their reasons for doing so.

At each step of the application process, individuals who complete the stage may differ from those who drop out for two types of reasons. First, the completers may perceive a greater benefit than the dropouts from continuing the process. For example, the completers might be in considerable economic distress, while the dropouts might understand themselves to be eligible for only a small benefit if any. This sort of pattern might not be considered a problem requiring a response by policy.

A more troubling type of difference would be one in which dropouts, although needy, are especially hampered in their efforts to complete the process because of some of their household characteristics. This would suggest that the food stamp agency should address these households' special needs.

In this section, we examine how dropout and completion rates differ for a variety of household types. Subgroups of respondents are identified based on household size, special needs, demographic characteristics, income sources, costs of application, potential supports in the application process, and estimated food stamp allotment. We find that the reasons some applicants drop out of the process even though they perceive that they will be eligible to receive benefits seem to be more strongly related to the opportunity costs and the benefits of applying than to particular obstacles.

Household Size

Exhibit 4.8 presents dropout and completion rates for households of various sizes. The first row of the table shows that 14 percent of respondents were members of one-person households, 51 percent belonged to households containing two or three members, and 36 percent were in households that contained four or more persons. The final column of this table (and all tables in this section) provides statistics for the respondent population as a whole, which serve as a benchmark for considering the patterns of individual subgroups. For each subgroup (e.g., one-person households), we test the statistical significance of differences between that subgroup and the remainder of the population.

Exhibit 4.8

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
BY HOUSEHOLD SIZE

	One person	2-3 persons	4 or more persons	ALL RESPONDENTS ^a
PERCENT OF ALL RESPONDENTS	13.8%	50.7%	35.6%	100.0%
DROPOUTS	<u>34.6</u>	<u>27.7**</u>	<u>36.3*</u>	<u>31.8</u>
By reason:				
Process dropouts ^b	22.6	16.6	16.8	17.3
Perceived ineligible ^c	12.0	11.0**	19.5***	14.5
By stage:				
Did not file	15.5*	5.4***	14.8***	10.5
Filed, but did not have an interview	16.4	14.2	17.0	15.2
Had an interview, but did not complete documentation	2.7	8.1**	4.5	6.1
COMPLETERS	<u>65.4</u>	<u>72.3**</u>	<u>63.7*</u>	<u>68.2</u>
Approved	57.8	59.5	55.8	58.0
Denied	7.6	12.8**	7.9	10.3
Unweighted N ^d	82	349	249	703

*** Statistically significantly different from other groups at 1 percent level.

** Statistically significantly different from other groups at 5 percent level.

* Statistically significantly different from other groups at 10 percent level.

^a This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.

^b Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.

^c Includes those whose main reason for non-completion was their (perceived) eligibility or need.

^d Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Two- and three-person households were the least likely to drop out of the application process, as can be seen in the second line of the table. This was due to two independent factors. First, single-person households were 5 percentage points more likely than the average household to be process dropouts--that is, to drop out of the application process even though they think they will be eligible to receive benefits. Second, large households were 5 percentage points more likely than the average household to not complete the application process because they perceived they would be ineligible for benefits (statistically significant at the one percent level).

Looking at the stages at which respondents dropped out, it appears that two- and three-person households were much more likely to file an application than either larger or smaller ones. They were, however, a little less likely to complete their documentation. Both of these differences are statistically significant.

Although as suggested above, completion rates were highest for medium-sized households, approval rates differed little. Instead, medium-sized households were significantly more likely to complete the process but then to be denied benefits.

Households with Special Needs

Exhibit 4.9 and most subsequent tables differ from Exhibit 4.8 in that the columns represent independently identified rather than mutually exhaustive subgroups. Hence the final column does not correspond to the sum of the other columns. Significance tests in each instance reflect the comparison between the named subgroup (e.g., the elderly) and all respondents not in that subgroup.

The elderly, who comprise 5 percent of the respondent population, have an overall dropout rate 6 percentage points below the rate for all respondents. However, this is not because they are unlikely to be process dropouts. They are in fact more often process dropouts than other groups, but substantially less likely to drop out for circumstantial reasons. Dropouts are particularly concentrated in the filing stage. Furthermore, although the elderly are quite likely to complete the process, their approval rate is no higher than for the respondent population

Exhibit 4.9

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
FOR HOUSEHOLDS WITH SPECIAL NEEDS

	Elderly	Disabled	Children present	ALL RESPONDENTS ^a
PERCENT OF ALL RESPONDENTS	4.9%	21.5%	66.8%	100.0%
DROPOUTS	<u>26.0</u>	<u>18.4***</u>	<u>33.7</u>	<u>31.8</u>
By reason:				
Process dropouts ^b	21.1	11.7**	17.2	17.3
Perceived ineligible ^c	4.9	6.8***	16.4*	14.5
By stage:				
Did not file	14.0	7.8	11.4	10.5
Filed, but did not have an interview	8.9	7.0***	16.0	15.2
Had an interview, but did not complete documentation	3.1	3.7	6.2	6.1
COMPLETERS	<u>74.0</u>	<u>81.6***</u>	<u>66.3</u>	<u>68.2</u>
Approved	58.4	71.5***	56.4	58.0
Denied	15.6	10.1	9.9	10.3
Unweighted N ^d	28	152	458	703

*** Statistically significantly different from excluded group at 1 percent level.

** Statistically significantly different from excluded group at 5 percent level.

* Statistically significantly different from excluded group at 10 percent level.

^a This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.

^b Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.

^c Includes those whose main reason for non-completion was their (perceived) eligibility or need.

^d Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

as a whole, because their denial rate is relatively high. Because the sample size for the elderly is quite small, none of the differences noted are statistically significant.

The disabled (as self-described) comprise 22 percent of the sample population. They have an even higher completion rate than the elderly--82 percent--and over 70 percent of them are approved for benefits. They are quite unlikely to be process dropouts, suggesting that physical disability is not a major obstacle to obtaining benefits. These differences from the rest of the population are all statistically significant.

Finally, two-thirds of respondents had children in their household. Their patterns of completion and reasons for dropping out were quite similar to the patterns for the population as a whole.¹

Other Demographic Characteristics

Exhibit 4.10 shows dropout and completion rates for subgroups that are identified by education, race, and sex.

The most striking patterns in the table concern respondents who did not complete high school. This group was significantly less likely to drop out of the application process than other groups, and significantly more likely to be approved for benefits. Once having filed an application, the high school dropouts were significantly more likely than other respondents to meet the subsequent requirements of attending the certification interview and providing documentation. They were particularly unlikely to quit the application process because of perceived ineligibility.

Few significant differences were seen between nonwhite and white respondents, or between males and females. Nonwhites were somewhat more likely than whites to file an application after the initial contact with the food stamp agency. Males were a bit more likely than females to be denied benefits after completing the application process. Both patterns seem

¹Rates were also examined for non-English speakers. This subgroup comprised such a small proportion of the population however (around 1 percent) that reliable estimates could not be obtained.

Exhibit 4.10

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
FOR APPLICANTS WITH PARTICULAR DEMOGRAPHIC CHARACTERISTICS

	High School Dropouts	Nonwhite	Male	ALL RESPONDENTS ^a
PERCENT OF ALL RESPONDENTS	34.2%	45.7%	21.0%	100.0%
DROPOUTS	<u>25.9***</u>	<u>31.5</u>	<u>31.0</u>	<u>31.8</u>
By reason:				
Process dropouts ^b	15.3	15.7	19.6	17.3
Perceived ineligible ^c	10.6**	15.8	11.4	14.5
By stage:				
Did not file	10.4	7.3***	11.6	10.5
Filed, but did not have an interview	12.1*	17.7	14.3	15.2
Had an interview, but did not complete documentation	3.4**	6.5	5.2	6.1
COMPLETERS	<u>74.2***</u>	<u>68.5</u>	<u>69.0</u>	<u>68.2</u>
Approved	66.1***	57.4	54.9	58.0
Denied	8.1	11.1	14.1*	10.3
Unweighted N ^d	269	276	143	703

*** Statistically significantly different from excluded group at 1 percent level.

** Statistically significantly different from excluded group at 5 percent level.

* Statistically significantly different from excluded group at 10 percent level.

^a This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.

^b Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.

^c Includes those whose main reason for non-completion was their (perceived) eligibility or need.

^d Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

to reflect the indirect results of other factors (e.g., the presence of earnings) rather than any direct effect of race or gender.

Income Sources

Exhibit 4.11 shows patterns of completion for two types of households: those that contained an earner, and those that received cash assistance, at the time they were applying for food stamps.¹ These subgroups are neither mutually exclusive nor collectively exhaustive.

The households reporting that they have some earned income are presumably financially better off than most other respondents. Not surprisingly, then, this subgroup had a dropout rate 10 percentage points higher than the rate for all respondents. This was due both to a higher rate of process dropouts and to a higher rate of perceived ineligibility. Dropouts were concentrated at the interview stage. For those who completed the process, the denial rate was also higher than average. All of these differences between earners and non-earners are statistically significant.

Recipients of cash assistance, in contrast, were 8 percentage points less likely to drop out than other households. Their lower dropout rate is statistically significant, as is a lower dropout rate due to circumstantial reasons. Respondents with cash assistance also were significantly more likely to be approved for benefits than other respondents.

Costs of Application

It seems likely that dropout and completion rates would be related to the costs of the application process. A respondent's decision to proceed is presumably based on the cost of completing the process, rather than on the costs incurred before dropping out. We therefore examine the out-of-pocket expenses per visit and travel time per visit. As discussed in the preceding chapter, for those few individuals (primarily nonfilers) who did not make any office visits, out-of-pocket expenses can be imputed based on presence of earnings, presence of small children

¹It seems likely that some of the households reporting receipt of cash assistance had this income prior to applying for food stamps, while others applied for both at the same time.

Exhibit 4.11

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
BY INCOME SOURCE

	Households with earnings	Households with cash assistance	ALL RESPONDENTS ^a
PERCENT OF ALL RESPONDENTS	51.0%	33.0%	100.0%
DROPOUTS	<u>41.1</u> ***	<u>23.9</u> ***	<u>31.8</u>
By reason:			
Process dropouts ^b	22.4***	14.7	17.3
Perceived ineligible ^c	18.7***	9.2**	14.5
By stage:			
Did not file	12.9**	7.4	10.5
Filed, but did not have an interview	21.8***	12.1*	15.2
Had an interview, but did not complete documentation	6.4	4.5	6.1
COMPLETERS	<u>58.9</u> ***	<u>76.1</u> ***	<u>68.2</u>
Approved	45.7***	63.5*	58.0
Denied	13.2**	12.6	10.3
Unweighted N ^d	388	219	703

*** Statistically significantly different from excluded group at 1 percent level.

** Statistically significantly different from excluded group at 5 percent level.

* Statistically significantly different from excluded group at 10 percent level.

^a This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.

^b Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.

^c Includes those whose main reason for non-completion was their (perceived) eligibility or need.

^d Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey 706 of food stamp applicants in five counties.

in the household, and availability of a car. Travel time is likewise imputed for these cases based on possession of a car.¹

The likelihood that an applicant will drop out of the process even though he or she expects to be eligible for benefits is indeed strongly correlated with out-of-pocket costs, as shown in Exhibit 4.12. In fact, those with costs per visit exceeding \$8 are almost twice as likely to be process dropouts than those with costs under \$2. Higher out-of-pocket costs are also significantly related to dropping out because of perceived ineligibility and to denial of benefits. It will be recalled, however, that forgone wages are an important component of out-of-pocket costs. Hence these relationships partly reflect the previously noted low approval and completion rates of earners.

Those with short travel times (under 15 minutes) are significantly less likely than other respondents to be process dropouts. Somewhat surprisingly, those with long travel times to the office (30 minutes or more) are especially likely to get through the early steps of the process and then fail to complete their documentation. They are not, however, particularly prone to being process dropouts.²

Potential Supports

Available social support for the application process is measured by several variables: having received food stamps previously, knowing other people who received food stamps, and receiving encouragement to apply from other people. This latter variable was constructed based on responses to a series of questions as to whether various people knew or played a part in the individual's decision to apply, and if so, whether they encouraged the application. The types of people included in the series of questions were: other adult household members or relatives,

¹Data on distance from the welfare office were not collected for individuals who did not visit the office.

²Travel time would not be a helpful variable in this context if it were simply proxying for office. However, the percentage of respondents in each office who are process dropouts appears unrelated to the average travel time for the office.

Exhibit 4.12

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
BY COST OF APPLICATION

	Out-of-pocket cost per visit		Travel time to office		ALL RESPONDENTS ^a
	Under \$2	Over \$8	Under 15 minutes	30 minutes or more	
PERCENT OF ALL RESPONDENTS	52.3%	12.6%	46.6%	9.2%	100.0%
DROPOUTS	<u>24.5***</u>	<u>40.5*</u>	<u>27.7**</u>	<u>29.4</u>	<u>31.8</u>
By reason:					
Process dropouts ^b	13.3***	25.8**	13.9**	17.7	17.3
Perceived ineligible ^c	11.2***	14.6	13.9	11.6	14.5
By stage:					
Did not file	5.6***	15.0	6.9***	5.1	10.5
Filed, but did not have an interview	13.1*	14.4	15.8	7.0*	15.2
Had an interview, but did not complete documentation	5.9	11.1**	5.0	17.3***	6.1
COMPLETERS	<u>75.5***</u>	<u>59.5*</u>	<u>72.3**</u>	<u>70.6</u>	<u>68.2</u>
Approved	65.9***	44.2***	64.2***	54.5	58.0
Denied	9.5	15.4*	8.1*	16.1	10.3
Unweighted N ^d	288	72	345	64	703

*** Statistically significantly different from excluded group at 1 percent level.

** Statistically significantly different from excluded group at 5 percent level.

* Statistically significantly different from excluded group at 10 percent level.

^a This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.

^b Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.

^c Includes those whose main reason for non-completion was their (perceived) eligibility or need.

^d Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

friends or neighbors, social worker or caseworker, legal aid or immigrant aid worker, church or community worker, and "other".

It was hypothesized that former recipients of food stamps, people who knew others who received food stamps, and people who were encouraged to apply by members of their social

Exhibit 4.13

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
BY AVAILABLE SUPPORTS

	Previously received food stamps	Previously received or knew someone who received food stamps	Encouraged to apply ^a	ALL RESPONDENTS ^b
PERCENT OF ALL RESPONDENTS	34.8%	70.3%	58.9%	100.0%
DROPOUTS	<u>37.7</u> **	<u>34.1</u> *	<u>32.4</u>	<u>31.8</u>
By reason:				
Process dropouts ^c	20.1	18.1	19.8**	17.3
Perceived ineligible ^d	17.6	16.0	12.6*	14.5
By stage:				
Did not file	13.1	10.4	11.3	10.5
Filed, but did not have an interview	17.8	16.6	14.0	15.2
Had an interview, but did not complete documentation	6.8	7.2**	7.1	6.1
COMPLETERS	<u>62.3</u> **	<u>65.9</u> *	<u>67.6</u>	<u>68.2</u>
Approved	49.9***	54.8**	57.9	58.0
Denied	12.4	11.1	9.8	10.3
Unweighted N ^e	250	518	417	703

- *** Statistically significantly different from excluded group at 1 percent level.
 ** Statistically significantly different from excluded group at 5 percent level.
 * Statistically significantly different from excluded group at 10 percent level.

- ^a Includes friends, relatives, social workers, legal or immigrant aid, church, others.
^b This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.
^c Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.
^d Includes those whose main reason for non-completion was their (perceived) eligibility or need.
^e Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

earned income. This amount, if greater than zero, was multiplied by 0.3 and subtracted from the maximum allotment to get the estimated food stamp benefit.¹

One would expect that individuals with a low expected allotment would have a high denial rate, and also a high dropout rate due to perceived ineligibility (because such dropouts cited excess income as a primary reason for not completing the process). As shown in Exhibit 4.14, these expectations are indeed met. Even more striking, however, is the process dropout rate for people with low expected benefits: 33.4 percent, about twice the rate for all respondents. This is the strongest pattern observed among process dropouts. It suggests that many of the individuals who dropout of the process even though they think they are eligible for benefits are relatively less needy than other dropouts.

At the other extreme, however, respondents with an estimated allotment of \$200 or more do not show the converse pattern. Their completion rate of 65 percent is actually a little lower than the rate for respondents in general; while they are somewhat less likely to be process dropouts, they are actually significantly more likely to have perceived themselves ineligible for benefits.

It is somewhat surprising that such a high proportion (35 percent) of respondents who might have anticipated receiving \$200 or more in food stamp benefits dropped out of the process. Examining the main reason given for not completing the application process for the 99 such cases in the sample, we note that:

- 20 believed they had excess income,
- 11 did not finish the process because of an objection to the application process,
- 10 were unable to obtain documentation,
- 10 were unable to meet the deadline for completing the application, and
- 13 found a job in the interim.

¹This method ignores assets, shelter expenses and deductions, child care, and medical deductions. It seems to be sufficient, however, as an index of "food stamp neediness".

Exhibit 4.14

APPLICATION PROCESS DROPOUTS AND COMPLETERS:
BY ESTIMATED POTENTIAL FOOD STAMP ALLOTMENT

	\$50 or less	\$200 or more	ALL RESPONDENTS ^a
PERCENT OF ALL RESPONDENTS	17.3%	30.6%	100.0%
DROPOUTS	<u>55.3</u> ***	<u>34.6</u>	<u>31.8</u>
By reason:			
Process dropouts ^b	33.4***	15.1	17.3
Perceived ineligible ^c	21.9***	19.5***	14.5
By stage:			
Did not file	19.3***	12.8	10.5
Filed, but did not have an interview	24.4***	14.4	15.2
Had an interview, but did not complete documentation	11.6***	7.4	6.1
COMPLETERS	<u>44.7</u> ***	<u>65.4</u>	<u>68.2</u>
Approved	22.4***	60.5	58.0
Denied	22.3***	4.9***	10.3
Unweighted N ^d	161	209	703

*** Statistically significantly different from excluded group at 1 percent level.

** Statistically significantly different from excluded group at 5 percent level.

* Statistically significantly different from excluded group at 10 percent level.

^a This distribution is based on respondents' reports concerning how far they got in the application process. It differs slightly from the distributions in Exhibits 4.1 and 4.7 which are based on information from state and county automated casefile data.

^b Includes "entirely" and "mainly" process dropouts as defined in Section 4.3.

^c Includes those whose main reason for non-completion was their (perceived) eligibility or need.

^d Excludes three respondents who gave no "main reason" for failing to complete the process.

Source: Data from 1990 survey of food stamp applicants in five counties.

The remaining 35 cases dropped out for a wide variety of reasons.

Further exploration of these cases resolves some of the apparent paradoxes. Of the 20 individuals who said they had too much income, the review indicates virtually all were not eligible at the time of application or became ineligible shortly thereafter. Six respondents were planning to start their own households, but were living with parents or others at the time of application. Another seven to ten appear to have gained income after they began the application process. Another three, having just left a job, had too much income to receive food stamps for the month on which the application was based. Their self-reported income on the survey was a prospective measure.

Four other dropouts who would apparently have been eligible for over \$200 per month moved; another went to jail. Several wanted only AFDC. Those objecting to the process expressed a variety of views, such as feeling that the process was too personal, that the agency asked for too much, or that the wait was too long.

The data thus reflect the complexity and volatility of the lives of people who find themselves needing assistance. They also indicate, however, that process dropouts are not entirely people with small expected allotments. Rather, we find a number of instances in which respondents appear to have been potentially eligible for a substantial benefit, gave no indication that they believed themselves ineligible, and said they found some aspect of the application process too difficult to complete.

4.5 Summary and Conclusions

Around 58 percent of individuals contacting the food stamp office for information were eventually approved for benefits. Another 9 percent completed the process, but were denied. The remaining 34 percent were dropouts--more than half of whom never filed an application.

Over half of those who did not receive food stamps attributed this outcome mainly to excess income or assets. Among those who dropped out of the process and gave a primary reason that was related to the application process, such as inconvenience of getting to the interview, half also noted that having too much income or assets was an important reason for

their dropping out. These individuals were classified as "mainly" process dropouts. The remainder, about 9 percent of those making an initial contact with the food stamp office, were deemed to have been "entirely" process dropouts.

The mainly and entirely process dropouts comprised about 18 percent of all applicants and potential applicants, and slightly over half of all dropouts. Respondents who were significantly more likely to be process dropouts were:

- members of households with earnings;
- individuals with high out-of-pocket costs of office visits;
- individuals who could expect to receive small allotments; and
- individuals who had been encouraged to apply by friends, relatives, or others.

The first three factors are closely linked. Persons with earnings could lose wages in visiting the food stamp office, leading to high out-of-pocket costs. Similarly, persons with earnings had smaller expected food stamp allotments, on average. All of these factors suggest that process dropouts are most likely to be those who have relatively small needs and relatively little to gain from participating in the Food Stamp Program.

It is unclear why people with some social support for their food stamp application should more often be process dropouts than others -- indeed, we had expected the opposite result. It seems most likely that this variable is acting as a proxy for other factors not examined here.

Respondents who were significantly less likely than average to be process dropouts were:

- the disabled;
- those with low costs of office visits; and
- those with a short trip to the office.

The latter two findings support the hypothesis that people for whom the application process is less difficult are less likely to be inhibited by it. It is encouraging to note, however,

that physical disabilities do not seem to pose an undue obstacle to completing the application process.

Completion rates generally moved conversely to process dropout rates. Significantly higher completion rates were seen among members of medium-sized households, the disabled, recipients of cash assistance, and those with low out-of-pocket costs and travel time. Completion rates were significantly lower among members of large households, members of households with earnings, those with high out-of-pocket costs, those who had previously received food stamps or who knew someone who had, and those who could expect to receive small allotments.

Having examined these patterns, one would like to draw a conclusion about the extent and nature of the policy problem represented by those who dropout of the application process. But the data do not lend themselves to a clear conclusion. They show that a substantial number of people abandoned their application despite believing themselves eligible for benefits. These were especially people who apparently would have qualified for only small allotments, who may not represent a policy problem. Yet there were others with potentially sizable benefits who did not complete the application process.

We see little indication that the structure of the application process systematically inhibits particular groups of people with particular problems. A few groups show somewhat higher than average likelihood of being process dropouts, but the differences are generally fairly small. Moreover, in all groups many more people completed the process and were approved for benefits than the number who were process dropouts.

These patterns seem to suggest that people's ability or will to complete the application process varies in ways that do not correlate highly with other household or situational variables. They indicate that the application process matters: the highest rates of process dropouts were found in the office that our observers found to be the most confusing and inconvenient. Nonetheless, the data do not identify specific aspects of the process that clearly inhibit participation, nor do they allow forecasts of the changes in participation that might result from altering office procedures.

In concluding this analysis, it is useful to consider whether the findings presented here are consistent with those of other studies that have examined participation in the Food Stamp Program. Such an examination shows that some of our findings are consistent with those of other studies, while other findings are contradictory. In addition, this study provides some data to directly answer questions that have only been indirectly addressed before, and thus comparisons with other studies are not possible. As summarized above, this study provides data on the rate at which applicants and potential applicants complete the various stages of the application process. It also provides a measure of the degree to which the application process inhibits individuals from completing the process. These data allow us to examine where the most problems occur and the likely impact in terms of numbers of people affected. These data have not been available before as no previous studies have directly studied the experiences of individuals who contact the food stamp office to inquire about the Food Stamp Program. Other studies have relied on more indirect measures—examining people that appear to be eligible for food stamp benefits (based on their income, resources, and household characteristics) but are not participating in the Program.

Previous studies have provided suggestions concerning why some individuals complete the application process while others do not. Some, but not all, of our findings support the hypotheses generated by other studies. Previous studies suggest that providing the required documentation of the household's circumstances is a significant problem. According to our data, only about 4 percent of those who contact the food stamp office to inquire about benefits complete the certification interview but do not complete all the required verification. This indicates that documentation does not present a problem for a large number of people. We did find, however, that many of the problems people report with providing documents could be avoided.

In this study, we were able to begin to quantify the aspects of the application process that appear to create the most problems for applicants and potential applicants. Among those who did not complete the application process, the reasons most often cited were:

- Perceived ineligibility--50%
- Time/hassle involved--10%
- Inability to attend interview--8%
- Inability to obtain necessary documents--6%
- Expected to be contacted by the food stamp office--5%

Similar reasons are cited in other studies as explanations of why apparently eligible individuals do not participate in the Food Stamp Program, though figures on the relative importance of the various reasons are not available for comparison.

Finally, this study, like some other studies, examined whether some types of people were more likely to have difficulty with the application process than others. Previous studies of eligible non-participants suggest that the elderly, disabled, non-English speaking, and the homeless are less likely to participate than others. These studies also found that large households, those with children, and those receiving public assistance were more likely to participate than others. In this study, we did not find that the elderly, disabled or non-English speaking had significantly more difficulties than others in completing the application process (though our sample contained few non-English speakers). In fact, we found that the disabled were more likely to complete the process than others. This suggests that the application process per se does not inhibit the elderly, disabled, and non-English speaking from participating in the Food Stamp Program. Once they contact the food stamp office, these individuals are as likely to complete the application process as anyone else. However, the low participation rate among these demographic groups does suggest that many of these individuals do not even get as far as contacting the welfare office to inquire about benefits. In addition, this study found that households with earnings and those eligible for relatively small allotments were more likely to drop out of the application process than others and to drop out even though they perceived that they would be eligible for benefits. Conversely, we found that households receiving cash assistance and medium-sized households were more likely than others to complete the application process. These findings are consistent with those of other studies that showed program participation was higher among those eligible for a relatively large amount of benefits compared

to those eligible for a smaller amount of benefits. However, this study also found that the observed differences among groups was fairly small, suggesting that the application process does not systematically inhibit participation in the Food Stamp Program for any particular group of people.

Chapter Five

POTENTIAL CHANGES TO THE FOOD STAMP APPLICATION PROCESS

The analysis presented in the preceeding chapters raises the policy question of whether any changes in the current application processing system are needed in order to reduce the costs and burdens of the process and encourage participation in the Food Stamp Program. This chapter begins the process of addressing this issue. Given the exploratory nature of the study, especially the small number of sites involved and the number of applicants surveyed, we can only offer a partial and tentative list of potential changes. These suggestions are based on the structure of the application process and the experiences of applicants in our five study sites. Only to the extent that these sites are typical of sites in other parts of the country will the proposals have wider applicability. In addition, this study does not provide us with enough evidence to be sure that the proposed changes will significantly reduce the costs and burdens of the process, nor can one argue with certainty that the proposed changes will increase participation in the Food Stamp Program. Future studies and demonstrations are needed to test the feasibility and impact of the ideas presented in this chapter.

The proposals presented in this chapter were developed from analyses of the survey and observational data and from discussions with state and local Food Stamp Program staff. The proposals all represent suggestions for making the food stamp application process more accessible, irrespective of the administrative costs that would be involved. Some of the proposed changes would require staff to provide services they do not currently provide. This might fit the desire expressed by staff in several offices to become more "service oriented," to deal with the applicant's problems and not simply be benefit providers. However, the resources required to implement many of the proposed changes are not readily available in today's economic environment. Food stamp caseloads are increasing even as state and local offices are facing shortages of caseworkers, supervisors, and clerical staff due to cuts in state budgets. Nonetheless, whether they can be considered now or must be deferred, the data from this study

suggest some potential changes to the food stamp application process that might improve access to the Program.

Like most policy changes, the suggestions presented in this chapter would involve trade-offs. In addition to the goal of serving participants effectively, Food Stamp Program managers seek to maintain the Program's integrity (i.e., by making accurate benefit awards) and to administer the Program efficiently (by minimizing operating costs). Some of the suggestions made here pose potential risks for payment accuracy. Many of the suggestions could create added costs, particularly in terms of caseworker time.

Policy makers must therefore weigh the importance of improving the application process against the attendant risks and costs. They must decide whether the applicant costs and burdens described in this study are acceptable, or whether higher standards are necessary. They must determine how important it is that some people fail to get the food stamp benefits which they desire and to which they would be entitled.

As discussed in the previous chapter, the data indicate that some people who are interested in receiving food stamp benefits and who believe themselves eligible for benefits, make at least an initial contact with the food stamp office but then do not complete the entire application process. These people make up a relatively small fraction of all applicants, and many of them would apparently qualify for only small allotments. Beyond these points, the data do not lend themselves to clear conclusions about the reasons people do not complete the application process.

The proposals presented here are directed towards reducing the applicants' burden. They aim to minimize the time and money people must spend in applying for benefits and to ensure a standard of reasonable treatment. Some of the potential changes might result in more people completing the process, but that is difficult to ascertain a priori.

The first section of the chapter reviews the points in the application process where applicants are likely to incur the greatest costs or burdens. It also identifies the points in the process that seem to create the most difficulties for applicants or potential applicants. In the

second section, we present potential changes in the food stamp application process that should reduce the costs and burdens and might encourage completion of the process.

5.1 Problems and Burdens Encountered in the Application Process

Applicants and potential applicants all incur some costs during the process, no matter how much of the process they complete. These costs include the out-of-pocket expenses and time costs involved in visiting or otherwise contacting the office and completing all the necessary requirements. The analysis in Chapter 3 showed that out-of-pocket expenses averaged approximately \$10, most of which were incurred in visits to the food stamp office. The greatest costs involved in visiting the food stamp office resulted from the transportation costs (\$1.75 per visit) and forgone wages (\$2.00 per visit). Total costs obviously increase as the applicant makes additional visits to the food stamp office. The costs of obtaining documents necessary to verify the applicant's circumstances averaged about \$3.00 or approximately one-third of total out-of-pocket expenses.

In addition to out-of-pocket expenses, applicants must spend time applying for benefits--an average of about five hours for the survey respondents. Three activities required most of the time. Waiting to see staff at the food stamp office required an average of 1.8 hours. Applicants and potential applicants spent an average of 1.1 hours in getting to and from the food stamp office. Finally, they spent an average of 1 hour obtaining the documents necessary to verify their household's circumstances.

Changes in the application process that reduce the number of visits required, reduce forgone wages, or reduce transportation costs would have the greatest impact on the overall out-of-pocket costs of the process. Changes that reduce waiting time, time required to obtain documents and time spent in transit to the office would go the farthest to limit the time burden of the application process.

The applicant survey asked all those respondents who did not complete the process the main reason they did not receive benefits. The survey also presented these respondents with a list of twenty-two factors and asked which factors contributed to their not receiving food stamp

people to complete the process, but these do appear to be reasonable areas in which to focus attention.

5.2 Potential Modifications to the Food Stamp Application Process

Based on the survey analysis, our observations in the food stamp offices, and our discussions with state and local food stamp office personnel, the food stamp application process might be modified in a number of ways to reduce the costs and burdens of the process. Most of the proposed changes involve changes in state and local procedures. They would require that states and local offices evaluate the application process as it is currently structured. None of the potential changes requires changing federal laws and only two would require changes in or waivers from current federal regulations.¹

Potential changes to the food stamp application process include:

- Reduce the number of visits required by allowing all applicants to file and be interviewed on the same day. This would reduce the burden on applicants by reducing the time and money they would have to spend completing the application process. It might also encourage respondents who said the process required too much time and hassle and who missed their interview because it was scheduled too far after filing to complete the application process. Additional staff time would be required during the transition period from an appointment to a walk-in system. However, once the system was operational, it should save time for office staff by eliminating the need to screen for expedited services and the problem of rescheduling missed interviews.

This proposal, which would require a change in local procedures, received mixed reactions from the state and local staff we interviewed; some felt it would work in their offices and others felt it was not feasible. We did learn, however, during the course of our study that a walk-in system is currently being successfully implemented in two large urban offices, not included in our study sample. Further study of the feasibility of a walk-in system is needed.

¹One question was whether the potential changes to the application process could be made within existing legislation. Appendix B summarizes the constraints imposed on the process by current law. The changes identified here can easily be made within the existing law.

- Reduce the number of visits required by encouraging use of the telephone for the initial inquiry. Another way to reduce the number of required visits, if it is not feasible to conduct certification interviews at the time of filing, would be to encourage interested individuals to call for information about the Program before visiting the office. This proposal, which would require changes in local procedures, is probably most suitable for small, rural offices where applicants may have to travel substantial distances to the welfare office. Most offices would have to upgrade telephone service to implement this proposal, but additional staff time would not necessarily be required.
- Provide more assistance to applicants in obtaining necessary documentation. Federal regulations state very clearly that applicants cannot be denied benefits if the documents necessary to verify their circumstances are unobtainable. In addition, regulations stipulate that the food stamp office must "assist each applicant household in obtaining verification and otherwise completing the application process." Nonetheless, a substantial number of applicants reported in the survey that they did not receive food stamp benefits because necessary documents were unobtainable. We observed during our site visits, and local food stamp office staff confirmed, that caseworkers do not do as much as they could or probably should to help applicants obtain documentation. Staff argued that the reason caseworkers do not do more is generally because they do not have the time, given the size of their caseloads.

One way to provide more assistance with documentation would be to establish a system where volunteers or local advocates met with applicants after the certification interview to review the types of information that needed to be verified and why, and the types of documents that could be submitted as verification. These volunteers could also be available to help applicants if problems arose obtaining the documents.

- Make certain that applicants are able to attend an in-office certification interview and offer an alternative when necessary. This issue appears to be particularly relevant for elderly and employed applicants. Policy requires that the in-office interview be waived for those who are unable to get to the office and who cannot assign an authorized representative--specifically the elderly, disabled and other hardship cases. Federal law requires that local offices have plans to ensure that the employed are adequately served, and state staff report their policies require that employed persons not be forced to lose wages during the application process. However, our survey results showed that the employed are somewhat more likely to drop out of the application process than others and a substantial number reported losing wages during visits to the food

stamp office. In addition, the elderly are more likely than others to drop out of the process even though they perceive they will be eligible for benefits. Implementing this proposal would be difficult for most offices, according to staff. Additional staff time would be required to conduct home visits. In addition, many caseworkers cannot readily work during the evening hours that would be convenient for the employed, even if it meant having other time off.

- Ease rules regarding telephone interviews. Increasing the use of telephone interviews could increase the access of the elderly, disabled and the employed to the Food Stamp Program. It might reduce the numbers of elderly and employed who reported difficulties with the process. It would certainly help alleviate the problem of lost wages. Telephone interviews could also be used for a broader segment of the population and would reduce costs to applicants by reducing transportation costs to the office. Waiting time could be reduced by the use of telephone interviews, and it might also decrease the numbers of applicants who do not complete their certification interviews.

Conducting more telephone interviews would require changing local policies and may require waivers of Federal regulations depending upon who would be allowed such interviews. Such a change would probably require that offices develop guidelines and special techniques for telephone interviewing since offices currently conduct few such interviews. The effect on overall caseworker time required to process applications is uncertain.

- Reduce in-office waiting time. Reducing waiting time, which was an issue only in the urban offices in our sample, would reduce the costs and burdens of the application process. It might also encourage completion of the application process for those who reported that the "time and hassle" involved in the process caused them to drop out. The application process in the three urban offices in our sample was structured differently, so that the points where applicants were required to wait varied. Thus, any strategy for reducing waiting time would have to be tailored to the specific office. Additional resources might be required to reduce waiting time, either in terms of staff time or in terms of technical assistance provided to office managers in alternative ways to deal with client flow. This proposal could be implemented with changes in local procedures only.
- Provide more information to applicants concerning the application process. The survey suggested that some people are confused by some aspects of the application process and that this hinders their ability to complete the

process. The problem appears to be greater in the urban offices than in the rural offices. In our observations, the flow of applicants into the urban offices was often so great that office staff had little time to explain much about the process to applicants. Staff in several offices suggested that a video would be an effective way to provide information about the application process, though pamphlets, talks by staff or volunteers, or an information desk could also be used to provide the necessary information. It might also be helpful for applicants to have an indication during their first visit to the office of whether they will likely be eligible for benefits and to leave the visit with a certification interview scheduled. Our study suggests that applicants who get this type of information may be more likely to complete the application process than others.

- Reduce verification requirements. Staff in all offices suggested reducing verification requirements as a means of reducing the costs and burdens of the application process. The suggested changes would require changes in current Federal regulations and include: verifying only income and household information; use of self-reports for items such as residency, vehicles, and bank accounts less than \$100; and standard deductions for all utility and medical expenses. (States and local offices reported, however, that they would be wary about reducing verification requirements unless there were corresponding changes in Quality Control requirements.) Reducing verification requirements might have the negative effect of increasing the amount of federal dollars lost in payments to ineligible households or lost in excess benefits paid to eligible households. Clearly, the costs and benefits of reducing verification requirements would need to be carefully considered.
- Encourage use of multiple offices, satellite offices, or out-stationed intake workers in large counties. Having more than one food stamp office in a county, or at least more than one location in which intake activities occur, would reduce applicants' costs by reducing the money and time spent in transit to the food stamp office. It might also ease the transportation problems of those who do not complete the process due to difficulties getting to the office. The administrative costs of multiple offices might not be greater than the costs of a single office, depending on the costs of space in different locations.
- Remove food stamp issuance from the local offices. Two of the five counties in our sample issue food stamp benefits in the office. Our observers found that this created a substantial amount of confusion and office staff supported this view. During the beginning of the month there are so many clients in the office that applicants could easily be overwhelmed. Removing issuance activities from the offices would

substantially reduce congestion. This might encourage some of those who were inhibited by long waiting lines to continue the application process.

- Provide more caseworker training. Most staff enthusiastically endorsed the idea of providing more training for caseworkers. They suggest training on interviewing skills, specifically on avoiding jargon unfamiliar to clients, and on avoiding leading questions. Training on verification requirements, including alternative documents that are acceptable, would also be useful. As policy is continually changing, updates on the changes are essential. Multi-cultural workshops could provide valuable assistance in helping the workers to understand their clients better. Such training, it was argued, would not only provide valuable information but would help to improve morale among staff. Staff turnover has been a significant problem in recent years, particularly in the urban offices. As a result, most caseworkers are relatively inexperienced. They are less familiar with food stamp policy and procedures and likely to be more inflexible than more experienced workers. Less experienced workers also take more time to do required tasks, leaving little time to help with difficult or unusual applications.

Changing the food stamp application process in the ways described above should reduce the costs and burdens that applicants face and perhaps encourage more of them to complete the process, though as discussed above, we cannot be certain of this given the exploratory nature and design of the study. To the extent that the issues raised in this study are considered important, it is likely that further information will be needed. This study offers only a first glimpse of the application process in a few locations. Research that focuses on a narrower set of issues, while including a broader base of food stamp offices and clients, will be needed to test the hypotheses and findings of this study and to address the policy trade-offs inherent in adjusting the food stamp application process.

APPENDIX A

SUPPLEMENTARY EXHIBITS

Exhibit A.1

**MAIN REASON APPLICANTS GAVE FOR NOT
RECEIVING FOOD STAMPS: SOUTHERN URBAN COUNTY**

	Survey Stratum				<u>TOTAL</u>
	<u>Did not file appli- cation</u>	<u>Did not complete inter- view</u>	<u>Did not furnish all verifi- cation</u>	<u>Other denials</u>	
<u>Circumstantial denials and changed circumstances</u>	<u>58.2%</u>	<u>62.9%</u>	<u>42.7%</u>	<u>73.5%</u>	<u>63.2%</u>
Excess income	27.0	40.4	30.2	66.7	45.1
Perceived income ineligibility	19.3	1.2	2.5	1.7	4.5
Excess assets	0.0	0.6	5.0	0.0	0.7
Quit job	0.0	0.6	2.5	0.0	0.5
Found a job	3.0	18.9	2.5	5.1	10.4
Found another way of working things out	8.9	1.2	0.0	0.0	2.0
<u>Related to interview</u>	<u>11.9</u>	<u>1.8</u>	<u>2.5</u>	<u>1.7</u>	<u>3.5</u>
Transportation problem	11.9	1.2	0.0	0.0	2.5
Scheduled too far in future	0.0	0.0	0.0	0.0	0.0
Missed interview, unspecified reason	0.0	0.6	2.5	1.7	1.0
<u>Related to verification</u>	<u>0.0</u>	<u>4.6</u>	<u>27.3</u>	<u>0.0</u>	<u>4.7</u>
Documents unobtainable	0.0	4.0	17.4	0.0	3.5
Missed time window for submitting documents	0.0	0.6	9.9	0.0	1.2
Refused to provide	0.0	0.0	0.0	0.0	0.0
<u>Problems related to time</u>	<u>17.8</u>	<u>15.0</u>	<u>17.8</u>	<u>4.9</u>	<u>12.7</u>
Couldn't get time off work	8.9	3.5	5.0	0.0	3.5
Babysitter problems	0.0	1.2	0.0	0.0	0.5
Process required to much time or hassle	8.9	10.3	12.8	4.9	8.7
Unspecified time constraint	0.0	0.0	0.0	0.0	0.0
<u>Other reasons</u>	<u>11.9</u>	<u>16.0</u>	<u>10.0</u>	<u>20.0</u>	<u>16.1</u>
Pride or stigma	3.0	0.0	0.0	0.0	0.5
Illness	0.0	0.0	2.5	0.0	0.3
Not contacted by food stamp office as expected	0.0	3.4	5.0	4.9	3.5
Did not finish process, unspecified reason	8.9	0.0	0.0	0.0	1.5
Other	0.0	12.6	2.5	15.1	10.3
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Unweighted N	15	51	31	24	121

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit A.2

MAIN REASON APPLICANTS GAVE FOR NOT
RECEIVING FOOD STAMPS: SOUTHERN RURAL COUNTY

	Survey Stratum				TOTAL
	Did not file appli- cation	Did not complete inter- view	Did not furnish all verifi- cation	Other denials	
<u>Circumstantial denials and changed circumstances</u>	<u>51.0%</u>	<u>30.7%</u>	<u>58.0%</u>	<u>79.8%</u>	<u>56.2%</u>
Excess income	29.0	14.5	35.2	45.4	31.5
Perceived income ineligibility	10.0	0.0	0.0	30.3	12.7
Excess assets	6.0	0.0	0.0	4.1	3.7
Quit job	0.0	0.0	5.7	0.0	0.7
Found a job	0.0	12.1	17.1	0.0	4.2
Found another way of working things out	6.0	4.1	0.0	0.0	3.4
<u>Related to interview</u>	<u>6.0</u>	<u>8.3</u>	<u>0.0</u>	<u>10.12</u>	<u>6.7</u>
Transportation problem	0.0	0.0	0.0	10.12	2.6
Scheduled too far in future	0.0	0.0	0.0	0.0	0.0
Missed interview, unspecified reason	6.0	8.3	0.0	0.0	4.1
<u>Related to verification</u>	<u>6.0</u>	<u>4.1</u>	<u>42.1</u>	<u>0.0</u>	<u>8.7</u>
Documents unobtainable	0.0	4.1	25.6	0.0	4.0
Missed time window for submitting documents	6.0	0.0	0.0	0.0	2.6
Refused to provide	0.0	0.0	16.5	0.0	2.1
<u>Problems related to time</u>	<u>24.0</u>	<u>18.2</u>	<u>0.0</u>	<u>0.0</u>	<u>13.7</u>
Couldn't get time off work	0.0	7.9	0.0	0.0	1.4
Babysitter problems	0.0	0.0	0.0	0.0	0.0
Process required to much time or hassle	24.0	10.3	0.0	0.0	12.3
Unspecified time constraint	0.0	0.0	0.0	0.0	0.0
<u>Other reasons</u>	<u>12.0</u>	<u>38.8</u>	<u>0.0</u>	<u>10.1</u>	<u>14.6</u>
Pride or stigma	6.0	0.0	0.0	0.0	2.6
Illness	0.0	0.0	0.0	0.0	0.0
Not contacted by food stamp office as expected	0.0	8.3	0.0	0.0	1.4
Did not finish process, unspecified reason	0.0	0.0	0.0	0.0	0.0
Other	6.0	30.5	0.0	10.1	10.6
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Unweighted N	18	17	13	16	64

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit A.3

MAIN REASON APPLICANTS GAVE FOR NOT
RECEIVING FOOD STAMPS: MIDWESTERN LARGE URBAN COUNTY

	Survey Stratum				TOTAL
	Did not file appli- cation	Did not complete inter- view	Did not furnish all verifi- cation	Other denials	
<u>Circumstantial denials and changed circumstances</u>	<u>43.0%</u>	<u>27.2%</u>	<u>44.2%</u>	<u>78.1%</u>	<u>45.1%</u>
Excess income	32.0	9.7	41.2	74.4	34.6
Perceived income ineligibility	11.0	2.6	0.0	0.0	4.1
Excess assets	0.0	0.0	1.5	3.7	1.0
Quit job	0.0	0.0	0.0	0.0	0.0
Found a job	0.0	12.3	1.5	0.0	4.5
Found another way of working things out	0.0	2.6	0.0	0.0	0.9
<u>Related to interview</u>	<u>0.0</u>	<u>27.6</u>	<u>0.0</u>	<u>9.6</u>	<u>11.5</u>
Transportation problem	0.0	11.1	0.0	0.0	3.8
Scheduled too far in future	0.0	8.7	0.0	0.0	3.0
Missed interview, unspecified reason	0.0	7.8	0.0	9.6	4.7
<u>Related to verification</u>	<u>7.0</u>	<u>2.6</u>	<u>23.1</u>	<u>0.0</u>	<u>6.6</u>
Documents unobtainable	7.0	2.6	20.1	0.0	6.1
Missed time window for submitting documents	0.0	0.0	3.0	0.0	0.5
Refused to provide	0.0	0.0	0.0	0.0	0.0
<u>Problems related to time</u>	<u>7.0</u>	<u>17.6</u>	<u>16.1</u>	<u>0.0</u>	<u>10.6</u>
Couldn't get time off work	0.0	3.3	0.0	0.0	1.1
Babysitter problems	0.0	0.0	0.0	0.0	0.0
Process required too much time or hassle	7.0	11.7	16.1	0.0	8.6
Unspecified time constraint	0.0	2.6	0.0	0.0	0.9
<u>Other reasons</u>	<u>42.9</u>	<u>25.2</u>	<u>16.1</u>	<u>12.3</u>	<u>26.3</u>
Pride or stigma	0.0	0.0	0.0	0.0	0.0
Illness	0.8	5.8	0.0	0.0	2.3
Not contacted by food stamp office as expected	7.0	11.0	0.0	2.5	6.4
Did not finish process, unspecified reason	28.1	0.0	0.0	0.0	8.1
Other	7.0	8.4	16.1	9.8	9.5
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Unweighted N	18	35	25	37	115

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit A.4

MAIN REASON APPLICANTS GAVE FOR NOT
RECEIVING FOOD STAMPS: MIDWESTERN MID-SIZED COUNTY

	Survey Stratum				TOTAL
	Did not file appli- cation	Did not complete inter- view	Did not furnish all verifi- cation	Other denials	
<u>Circumstantial denials and changed circumstances</u>	<u>57.6%</u>	<u>61.3%</u>	<u>49.4%</u>	<u>62.8%</u>	<u>58.6%</u>
Excess income	26.2	44.3	32.1	59.9	41.8
Perceived income ineligibility	0.0	6.8	2.7	0.0	2.6
Excess assets	5.7	4.2	2.7	2.9	3.9
Quit job	0.0	0.0	0.0	0.0	0.0
Found a job	25.7	6.0	11.9	0.0	10.3
Found another way of working things out	0.0	0.0	0.0	0.0	0.0
<u>Related to interview</u>	<u>5.7</u>	<u>8.7</u>	<u>2.7</u>	<u>0.0</u>	<u>4.6</u>
Transportation problem	5.7	0.0	0.0	0.0	1.3
Scheduled too far in future	0.0	0.0	0.0	0.0	0.0
Missed interview, unspecified reason	0.0	8.7	2.7	0.0	3.3
<u>Related to verification</u>	<u>0.0</u>	<u>8.6</u>	<u>40.0</u>	<u>0.0</u>	<u>10.4</u>
Documents unobtainable	0.0	8.6	32.0	0.0	8.9
Missed time window for submitting documents	0.0	0.0	5.3	0.0	1.0
Refused to provide	0.0	0.0	2.7	0.0	0.5
<u>Problems related to time</u>	<u>22.9</u>	<u>4.3</u>	<u>0.0</u>	<u>5.3</u>	<u>8.0</u>
Couldn't get time off work	0.0	0.0	0.0	0.0	0.0
Babysitter problems	0.0	0.0	0.0	0.0	0.0
Process required too much time or hassle	22.9	4.3	0.0	5.3	8.0
Unspecified time constraint	0.0	0.0	0.0	0.0	0.0
<u>Other reasons</u>	<u>13.8</u>	<u>17.2</u>	<u>8.1</u>	<u>31.9</u>	<u>18.4</u>
Pride or stigma	5.7	0.0	0.0	0.0	1.3
Illness	0.0	0.0	2.7	0.0	0.5
Not contacted by food stamp office as expected	0.0	8.6	2.7	0.0	3.2
Did not finish process, unspecified reason	2.2	0.0	0.0	0.0	0.5
Other	5.9	8.6	2.7	31.9	12.9
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Unweighted N	19	28	34	23	104

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit A.5

MAIN REASON APPLICANTS GAVE FOR NOT
RECEIVING FOOD STAMPS: MIDWESTERN RURAL COUNTY

	Survey Stratum				TOTAL
	Did not file appli- cation	Did not complete inter- view	Did not furnish all verifi- cation	Other denials	
<u>Circumstantial denials and changed circumstances</u>	<u>62.9%</u>	<u>43.2%</u>	<u>50.9%</u>	<u>96.2%</u>	<u>63.0%</u>
Excess income	35.1	16.7	42.7	82.5	41.7
Perceived income ineligibility	4.8	0.0	4.1	0.0	2.1
Excess assets	0.0	0.0	0.0	7.5	1.8
Quit job	0.0	4.9	0.0	6.2	3.0
Found a job	0.0	14.3	4.1	0.0	5.0
Found another way of working things out	23.0	7.6	0.0	0.0	9.4
<u>Related to interview</u>	<u>0.0</u>	<u>32.8</u>	<u>0.0</u>	<u>0.0</u>	<u>10.1</u>
Transportation problem	0.0	9.5	0.0	0.0	2.9
Scheduled too far in future	0.0	0.0	0.0	0.0	0.0
Missed interview, unspecified reason	0.0	23.3	0.0	0.0	7.2
<u>Related to verification</u>	<u>0.0</u>	<u>4.9</u>	<u>28.4</u>	<u>3.8</u>	<u>6.6</u>
Documents unobtainable	0.0	0.0	24.3	3.8	4.5
Missed time window for submitting documents	0.0	4.9	4.1	0.0	2.1
Refused to provide	0.0	0.0	0.0	0.0	0.0
<u>Problems related to time</u>	<u>34.2</u>	<u>4.8</u>	<u>8.3</u>	<u>0.0</u>	<u>13.1</u>
Couldn't get time off work	18.2	4.8	0.0	0.0	7.0
Babysitter problems	0.0	0.0	0.0	0.0	0.0
Process required too much time or hassle	16.0	0.0	8.3	0.0	6.1
Unspecified time constraint	0.0	0.0	0.0	0.0	0.0
<u>Other reasons</u>	<u>2.9</u>	<u>14.3</u>	<u>12.3</u>	<u>0.0</u>	<u>7.1</u>
Pride or stigma	2.9	4.8	4.1	0.0	3.0
Illness	0.0	9.5	0.0	0.0	2.9
Not contacted by food stamp office as expected	0.0	0.0	4.1	0.0	0.6
Did not finish process, unspecified reason	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	4.1	0.0	0.6
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Unweighted N	15	20	21	19	75

Source: Data from 1990 survey of 706 food stamp applicants in five counties.

Exhibit A.6

SELECTED HOUSEHOLD CHARACTERISTICS OF SURVEY RESPONDENTS
AND THE NATIONAL FOOD STAMP CASELOAD

	All Respondents	Respondents Who were Approved	National Caseload
Household Size			
One person	14%	14%	32%
2-3 persons	51%	52%	41%
4 or more persons	36%	34%	27%
Elderly ^a	5%	5%	19%
Children Present	67%	65%	61%
Nonwhite Head of Household ^b	46%	46%	53%
Male Head of Household ^b	21%	20%	24%
Earned Income Present	51%	40%	20%
Unearned Income Present ^c	8%	11%	42%
AFDC	8%	10%	20%
Social Security SSI	11%	12%	20%
Food Stamp Allotment ^d	17%	7%	21%
\$50 or less	31%	32%	20%
\$201 or more			

^a Defined for National caseload as any household with at least one member age 60 or more. Defined for survey as an applicant age 60 or more.

^b Assumes applicant would have become head of household.

^c National caseload data represents households who receive both government cash assistance and food stamps. Survey data includes households that were receiving cash assistance at the time of the food stamp application.

^d The food stamp allotment figure for survey respondents is an estimate of potential benefit level based on household size and reported income. It does not take into account assets, shelter expenses and deductions, child care and medical deductions.

Sources: Data from: (1) 1990 survey of 706 food stamp applicants in five counties; and (2) Characteristics of Food Stamp Households, Summer 1988. U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation; 1991.

APPENDIX B

**CONSTRAINTS IMPOSED ON THE FOOD STAMP APPLICATION
PROCESS BY CURRENT LEGISLATION**

One of the objectives of the current study was to develop potential changes to the application process to encourage completion of the process and reduce unnecessary costs and burdens. A key question was whether any suggested changes could be made within the framework of existing food stamp legislation. This appendix summarizes the constraints imposed on the application process by current legislation.

Federal law is only part of what establishes how the food stamp application process operates. Federal regulations, state policies, and local office policies and procedures all interact with the legislation to define the application process. This appendix summarizes only those constraints imposed by current legislation.

Title 7 of the United States code contains the current legislation pertaining to the Food Stamp Program. It is a compilation of all Congressional Acts that have affected the Food Stamp Program except the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624). Provisions of the FACT or Farm Bill were not in effect during our study period, though because they will soon be incorporated into federal regulations, we have included them in separate exhibits at the end of the appendix.

Exhibits B.1-B.4 summarize the constraints imposed by existing legislation. We have organized the material around the steps in the application process as presented in Chapter 1. Exhibit B.1 presents the legislative requirements pertaining to obtaining information and a food stamp application. Exhibit B.2 contains the information relevant to filing an application. Exhibit B.3 presents legislative constraints on the certification interview and B.4 those requirements for verification. Exhibits B.5 and B.6 present the relevant requirements from the Food, Agriculture, Conservation, and Trade Act of 1990.

Exhibit B.1

TITLE 7, UNITED STATES CODE: REQUIREMENTS FOR OBTAINING INFORMATION ABOUT THE FOOD STAMP PROGRAM AND/OR AND APPLICATION FORM

Obtaining Information About The Food Stamp Program

1. Hours of Operation. USDA must establish standards for the efficient and effective administration of the food stamp program, including for the periodic review of food stamp office hours to ensure that employed individuals are adequately served by the program. (Section 2025(b))
2. Outreach. States have the option of informing low-income persons about the availability, eligibility requirements, application procedures and benefits of the Food Stamp Program. (Section 2020(e))

States may train and assist volunteer or nonprofit organizations that conduct program information activities to persons potentially eligible for food stamps. (Section 2020(e))

3. Materials. Food stamp and public assistance offices must display USDA posters and pamphlets which: (1) familiarize clients with healthy diets; and (2) outline eligibility for other USDA nutrition programs. (Section 2020(e))

Bilingual materials shall be provided in jurisdictions having substantial numbers of non-English speaking low-income households. (Section 2020(e))

4. Bilingual Personnel. Bilingual personnel must be provided in jurisdictions having substantial numbers of non-English speaking low-income households. (Section 2020(e))
5. Disaster Provisions. State agencies must prepare plans for providing food stamps to disaster victims, including provisions for informing the public about how to apply for food stamp benefits. (Section 2020(e))

Exhibit B.1 (continued)

Obtaining an Application

1. **Timely Provision.** Households making an oral or written request for food stamps shall receive an application on the same day that such contact is first made. (Section 2020(e))
2. **Assistance.** For households having transportation difficulties or similar hardships, the food stamp agency shall provide for telephone contact and the mailing of application materials. (Section 2020(e))
3. **Other Programs.** Any individual who is an applicant for or recipient of social security benefits shall be informed of the availability of: (1) food stamp benefits.

Exhibit B.2

TITLE 7, UNITED STATES CODE: REQUIREMENTS FOR FILING A FOOD STAMP APPLICATION

1. Timely Intake. Households making an oral or written request for food stamps shall be permitted to file an application on the same day such contact is first made. (Section 2020(e))
2. Mail Intake. For households having transportation difficulties or similar hardships, the food stamp agency shall provide for the mail return of application materials. (Section 2020(e))
3. Instructions. At the time of application, food stamp agencies shall provide applicants a clear written statement explaining what acts the household must perform to complete the application process. (Section 2020(e))
4. Other Programs. Food stamp agencies shall inform AFDC applicants that: (1) they may simultaneously file for food stamps; and (2) by concurrently applying for both programs, they will have a single eligibility interview. (Section 2020(i))

Households in which all members are applying for (or receiving) SSI shall be assisted in making a simple application for food stamps at the social security office

Food stamp applications filed at a social security office from households in which all members are applying for (or receiving) SSI must be immediately forwarded to the food stamp agency in an efficient and timely manner. (Section 2020(j))

5. Application Form. States shall use a simplified, uniform national application form, unless USDA approves a deviation resulting from: (1) use of dual public assistance/food stamp application form; (2) the requirements of an agency's computer system; or (3) other demands deemed necessary by USDA. All variations shall be reviewed by USDA to ensure their simplicity and brevity. (Section 2020(e))

Households in which all members receive public or general assistance shall have their food stamp application contained in the public or general assistance application form. (Section 2020(i))

Exhibit B.2 (continued)

The front cover of food stamp applications must contain a place where applicants can write their name, address, and signature. (Section 2020(e))

The front cover of food stamp applications must contain instructions informing households: (1) of their right to file without immediately completing the remainder of the application; (2) about expedited processing criteria; and (3) that benefits are only provided from the date of application. (Section 2020(e))

Food stamp applications must contain a description of civil and criminal penalties for violating food stamp regulations. (Section 2020(e))

6. Authorized Representatives. Authorized representatives may be used to file a food stamp application. (Section 2020(e))
7. Assistance. The food stamp agency shall assist applicant households in completing the application process. (Section 2020(e))

Exhibit B.3

TITLE 7, UNITED STATES CODE: REQUIREMENTS FOR CONDUCTING FOOD STAMP ELIGIBILITY DETERMINATION INTERVIEWS

1. Telephone and In-Home Interviews. At an applicant's request, in-office interview will be waived if households: (1) are unable to appoint authorized representative; and (2) all adult members are unable to visit the food stamp office because they are mentally or physically handicapped, live in an area not served by the certification office, or have transportation difficulties or similar hardships as determined by the food stamp agency (e.g., residing in a rural area, illness, care of a household member, prolonged severe weather, or work or training hours). (Section 2020(e))

If an in-office interview is waived, the food stamp agency may conduct a telephone interview or a home visit. (Section 2020(e))

2. Authorized Representatives. Applicants may be represented by an authorized representative during a food stamp eligibility interview. (Section 2020(e))

Authorized representatives must be: (1) clearly designated by the head of household or the spouse of the head; and (2) an adult who is sufficiently aware of relevant household circumstances. (Section 2020(e))

USDA may restrict the number of households which may be represented by an individual, and otherwise establish criteria and verification standards for authorized representatives. (Section 2020(e))

3. Joint Interviews. USDA and HHS shall develop a system by which a single eligibility interview will be conducted for the food stamp program and AFDC. (Section 2020(i))
4. Reporting Requirements. At certification, the food stamp agency shall provide households with a statement describing food stamp program reporting responsibilities. (Section 2020(e))
5. Training. States may train and assist volunteer or nonprofit organizations that provide eligibility screening to persons potentially eligible for food stamps. (Section 2020(e))

Exhibit B.4

TITLE 7, UNITED STATES CODE: REQUIREMENTS FOR VERIFYING FOOD STAMP APPLICANT INFORMATION

1. Instructions. At the time of application, food stamp agencies shall provide households a clear written statement explaining what acts the household must perform to cooperate in obtaining verification. (Section 2020(e))

Food stamp application forms shall contain a statement that: (1) the information provided by the household will be subject to verification by federal, state and local officials to determine their accuracy; and (2) if any household information is found to be inaccurate, the food stamp request will be denied, and the applicant may be subject to criminal prosecution. (Section 2020(e))

2. Assistance. The food stamp agency shall assist applicant households in obtaining appropriate verification and completing the application process. (Section 2020(e))

The food stamp agency shall provide a method of certifying eligible households that do not reside in permanent dwellings or do not have fixed mailing addresses. (Section 2020(e))

3. Verification Items. Food stamp agencies shall verify: (1) all income except forms of income identified in U.S.C. section 2014(d);¹ (2) household size in questionable cases; (3) that household members are not ineligible to receive food stamps because they are in violation of the Immigration and Nationality Act; and (4) other eligibility factors determined necessary by USDA to implement sections 2014 and 2015 of Title 7 of the United States Code. (Section 2020(e))

¹A partial list of income items identified in U.S.C. section 2014(d) includes: (1) gain or benefits not in the form of money; (2) income received too infrequently or irregularly to be reasonably anticipated (but not in excess of \$30 per quarter; (3) deferred-payment educational loans, grants, scholarships, veteran's school benefits; fellowships; (4) deferred-payment non-education loans; (5) reimbursements that do not exceed actual expenses incurred (and do not represent a household gain); (6) income earned by a household member that is under age 18 and a student.

Exhibit B.4 (continued)

4. Duplicate Participation. Food stamp agencies shall establish a system and take action on a periodic basis to verify that members do not receive coupons in more than one jurisdiction within the state. (Section 2020(e))
5. State Discretion. Agencies may verify prior to certification (whether questionable or not) the size of any applicant household and other eligibility factors as the state determines necessary. (Section 2020(e))
6. Social Security Numbers. Each member of a household must furnish their social security account number (or numbers, if they have more than one number). (Section 2025(e))

USDA shall have access to information regarding food stamp applicants receiving benefits under title XVI of the Social Security Act that has been provided to HHS, but only to the extent required for determining or verifying food stamp eligibility. (Section 2025(e))

7. State Plan. State plans will not be approved unless its eligibility standards meet those established by USDA. States shall not impose other food stamp eligibility standards. (Section 2020(e))
8. Accuracy. One adult member of each applicant household shall be required to certify (in writing, under penalty of perjury) the accuracy of the information contained on the food stamp application. (Section 2020(e))
9. Non-Cooperation. Households refusing to provide the agencies with information necessary for eligibility determination will not be eligible to participate. (Section 2015(c))

Applicants shall not be denied solely because a person outside the household fails to cooperate (other than individuals who would otherwise be household members who have been disqualified for food stamp violations). (Section 2020(e))

Exhibit B.4 (continued)

10. 30-Day Time Frame. Agencies shall certify (and provide allotments retroactive to) eligible households no later than 30 days after the application date. (Section 2020(e))
11. Expedited Processing. Food stamps must be provided within 5 days of application dates for households: (1) having gross incomes under \$150 per month and liquid resources under \$100; (2) which are destitute migrant or seasonal farm workers and have liquid resources under \$100; (3) in which all members are homeless and satisfy the program's income and resource criteria; and (4) with a combined gross income and liquid resources that are less than their monthly rent (or mortgage) and utilities. (Section 2020(e))

To the extent practicable, the food stamp agency shall verify the income and liquid resources of expedited households prior to issuance of coupons. (Section 2020(e))

12. Duplication of Effort. Unless food stamp agencies have reason to believe that their information is inaccurate, incomplete or inconsistent, households shall not be required to submit additional proof of a matter on which the agency already has current verification. (Section 2020(e))
13. Improper Disclosure. The food stamp agency will develop safeguards which limit the use or disclosure of information obtained from applicant households. (Section 2020(e))
14. Coordination With Other Programs. Households in which all members are applying for (or receiving) SSI shall be certified for eligibility using information contained in social security administration files. (Section 2020(i))

Food stamp agencies shall request and exchange information for purposes of income and eligibility verification in accordance with a state system which meets the requirements of section 1137 of the Social Security Act (42 U.S.C. 1320b-7). (Section 2020(e))

Exhibit B.4 (continued)

Any additional information available from agencies administering state unemployment compensation laws shall be requested and utilized by the Food stamp agency to the extent permitted under the Social Security Act. (Section 2020(e))

Applicants for (as well as households which have recently lost or been denied eligibility for) public assistance or general assistance shall be certified for participation in the Food Stamp Program based on information in the public assistance or general assistance case files to the extent that reasonably verified information is available. (Section 2020(i))

Household may not have their food stamp applications denied solely on the basis of denial for another program (i.e., there must be a separate determination that the household fails to satisfy food stamp eligibility requirements. (Section 2020(i))

Exhibit B.5

FOOD, AGRICULTURE, CONSERVATION AND TRADE ACT OF 1990 (P.L. 101-624): REQUIREMENTS FOR FOOD STAMP APPLICATION PROCESSING

Obtaining A Food Stamp Application

1. Other Programs. The requirement that: "Any individual who is an applicant for or recipient of social security benefits...shall be informed of the availability of benefits under the food stamp program and informed of the availability of a simple application to participate in such program at the social security office" is amended to read: "Any individual who is an applicant for or recipient of supplemental security income or social security benefits...." (Section 1741)

Filing a Food Stamp Application

1. Instructions. The requirement that: "...each food stamp application shall contain...on its front cover...instructions in understandable terms, informing households of their right to file the application without immediately completing additional sections..." is amended to read: "...each food stamp application shall contain...(on or near its front cover) explanations in understandable terms, informing households of...." (Section 1736)
2. Application Form. The requirement that "households in which all members are included in a federally aided public assistance or State or local general assistance grant shall have their application for participation in the food stamp program contained in the public assistance or general assistance application form" is amended to read: "households in which all members are included in a federally aided public assistance or State or local general assistance grant in a State that has a single State-wide general assistance application form shall have their application for participation in the food stamp program contained in the public assistance or general assistance application form, and households applying for a local general assistance grant in a local jurisdiction in which the agency administering the general assistance program also administers the food stamp program shall be provided an application for participation in the food stamp program at the time of their application for general assistance, along with information concerning how to apply for the food stamp program". (Section 1740)

Exhibit B.5 (continued)

Verifying Food Stamp Applicant Information

1. The requirement that: "One adult member of a household that is applying for a coupons allotment shall be required to certify in writing, under penalty of perjury, the truth of the information contained in the application for the allotment" is replaced with: **"The State agency shall require that an adult representative of each household that is applying for food stamp benefits shall certify in writing, under penalty of perjury, that the information contained in the application is true and that all members of the household are either citizens or are aliens eligible to receive food stamps under section 6(f). The signature of the adult member under this section shall be deemed sufficient to comply with any provisions of Federal law requiring household members to sign the application or statements in connection with the application process."** (Section 1736)

**FOOD, AGRICULTURE, CONSERVATION
AND TRADE ACT OF 1990 (P.L. 101-624):
REQUIREMENTS FOR AUDITS, DEMONSTRATIONS AND STUDIES
REGARDING FOOD STAMP APPLICATION PROCESSING**

1. Outreach. USDA shall competitively award grants to public or private nonprofit organizations to fund food stamp outreach demonstration. Outreach will be targeted to members of rural, elderly and homeless populations, impoverished working families with children, and non-English speaking minorities. Appropriate outreach methods shall include electronic media campaigns, use of local outreach workers and volunteers, facilitating access to food stamp agencies, training to enhance food stamp referrals, community presentations and education, pre-screening assistance for food stamp eligibility, individualized client assistance, and recruitment of authorized representatives for applicants unable to appear for certification. Grants of \$5 million will be made available during each of fiscal years 1992 through 1995, pending the availability of earmarked funds. (Section 1759)
2. Food Stamp/SSI Application Procedures. The Comptroller General of the United States shall conduct an audit of the procedures under which applicants for (or recipients of) social security benefits may be provided (and/or file) a simple food stamp application at social security offices. This audit will examine whether these programs are operating effectively, and the feasibility of a joint application for food stamps and SSI. A report on this audit shall be made available to Congress by December 31, 1991. (Section 1742)
3. Welfare Simplification and Coordination Advisory Committee. USDA, in consultation with HHS and HUD, shall establish an advisory committee to: (1) study whether differing policies under food stamps and cash, medical and housing assistance programs makes it difficult for persons to apply for and obtain benefits for more than one program; (2) examine the reasons for different programs and policies; (3) recommend common or simplified programs and policies to reduce difficulties in applying for and obtaining benefits from more than one program (including recommendations for changes in law, regulations, administrative practices, and for policies that do not currently exist); and (4) describe major effects of common or simplified programs and policies. The panel's report shall be made available to Congress by July 1, 1993. (Section 1778)

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